

The Incorporated Accountants' Journal.

THE OFFICIAL ORGAN OF
The Society of Incorporated Accountants
and Auditors



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Professional Notes.

At this time of year the claims of charities are brought prominently to the notice of the charitably inclined. We make no apology for urging upon Incorporated Accountants the outstanding duty of supporting their own Benevolent Fund. At the 38th annual meeting of the Fund, held at

Incorporated Accountants' Hall on December 9th, the President, Sir James Martin, who was in the chair, stated that for the year 1929-30 the total income had decreased by £18 3s. 8d. as compared with the previous year, but on the other hand the relief granted by the Trustees was £198 6s. higher, as the amount had increased from £768 14s. to £967. The President put before the meeting his modest programme for 1930-31, which is to increase the investments to £10,000, from the amount at which they now stand in the accounts, £9,484 14s. 5d., and, in addition, to afford the Trustees a sufficient advance of income to enable them to deal generously with all deserving cases. The particulars of the grants made during the past year, which will be found in the Trustees' Report, show the necessity for help given in cases of misfortune, inability to provide for old age, illness, or sometimes early death.

Regret was expressed at the annual meeting of the subscribers to the Fund upon the retirement of the Chairman of the Trustees, Mr. W. McIntosh Whyte, who has freely given both time and thought to the service of his less fortunately placed brethren. Mr. Whyte was subsequently elected a Vice-President of the Fund, thus bringing up the total number of Vice-Presidents to seven Fellows of the Society, representative of Incorporated Accountants in various parts of the British Empire.

The Examination and Membership Committee of the Council of the Society of Incorporated Accountants and Auditors have declared the results of the examinations of the Society held on November 3rd, 4th, 5th and 6th in Great Britain and Ireland. The list of successful candidates is given in this issue. Two hundred and eighty-five candidates presented themselves for the Final examination, of whom 48 per cent. passed and 52 per cent. failed. Two candidates were awarded Honours, Mr. N. Dandeker, B.Sc., Clerk to Mr. W. F. A. Cooper, Incorporated Accountant, London, who took the First Certificate of Merit, and Mr. G. H. Forster, of the County Accountant's Department, Derby, who took the Second Certificate of Merit.

In the Intermediate examination the number of candidates was 358, of whom 49 per cent. passed and 51 per cent. failed. Honours were awarded to seven candidates, the First Place and the First Prize being taken by Mr. H. A. Manning, Clerk to Messrs. Mellors, Basden & Co., Chartered Accountants, London, and the Second Place by Mr. Noel Cliffe, Clerk to Mr. E. Holbrook, Incorporated Accountant, Cardiff. In the Preliminary

examination 142 candidates sat, of whom 52 per cent. passed (one candidate being placed in Honours) and 48 per cent. failed.

The largest ratepayers in Great Britain are very often Limited Liability Companies, and it has been pointed out to the Government on more than one occasion that it is inequitable and unjust that these companies should be deprived of all participation in the Local Government of the areas in which they carry on business.

It is satisfactory to note that in the Representation of the People Act (Northern Ireland), 1928, the principle of admitting Limited Liability Companies to the Local Government Franchise has been recognised and that where any company has during the whole of the twelve months ending on the last day of the qualifying period occupied as owner or tenant any land or premises of the yearly value of not less than £10 in a Local Government Electoral area in Northern Ireland and is separately rated for the relief of the poor in respect of such land or premises, such company may make a claim to have such person as is specified in the claim registered as a Local Government Elector in respect of the said land or premises and the said person shall be entitled to be registered accordingly.

The Government of the Irish Free State has also taken the matter in hand, and when the Act for the Local Government of the enlarged City of Dublin was framed the Government of the Irish Free State decided to give representation to Limited Liability Companies. The new Dublin City Council is to consist of 35 members. Five members, called "The Commercial Members," are to be elected on a separate and special register of commercial electors. Those entitled to be included in this special register are "every individual, partnership, unincorporated association and corporate body who or which is the rated occupier of any premises which are valued under the Valuation Act at not less than £20 and are occupied wholly or partly for the purpose of carrying on therein any business, profession, trade, manufacture, or other commercial or industrial pursuit."

In each of these cases in Northern Ireland and the Irish Free State there are, of course, other regulations constituting the machinery under which the Franchise is to be exercised, but we have stated enough to indicate the principle which we hope will be followed at

an early date by an amendment of the law relating to the exercise of Local Government Franchise in Great Britain.

The case of *Archer-Shee v. Garland*, to which we referred in the Legal Notes in our June issue, has recently come before the House of Lords, who have upheld the appellant's claim, thereby reversing the decision of the Court of Appeal. It will be remembered that under the will of her late father, an American citizen, Lady Archer-Shee became entitled to the income for life from the residue of his estate. Only part of the income, which consisted of interest and dividends on foreign shares and securities, was remitted to this country, where Lady Archer-Shee resided, but the Inland Revenue Authorities sought to assess her husband on the whole of the income under Case V, Rule 1 of Schedule D.

The appellant, however, maintained that he was assessable under Rule 2 of Case V—that is, on the basis of the amounts remitted to this country—on the ground that his wife was not entitled to the income from any specific stocks or shares, but under American law had merely an equitable right to claim from the trustees the balance of the income from the residue in accordance with the terms of the trust. The Special Commissioners and subsequently Mr. Justice Rowlatt confirmed this view, but the Court of Appeal, by a majority, allowed the Crown's appeal on the basis that the American law was the same as English law, and that under the latter a beneficiary in similar circumstances would have an equitable right to the income from the specific stocks and shares. Further evidence as to the American law having been put forward, the House of Lords unanimously decided in favour of the taxpayer and allowed the appeal. While the principles involved are of rather restricted application, this case illustrates once again the importance of the proper presentation of the facts when bringing a matter before the Courts.

In our October issue we referred in these Notes to a scheme which was under consideration by the Banks for the purpose of enabling payments to be made in settlement of trade accounts without the necessity of drawing cheques. This scheme now appears to have been put into operation to some extent at least. Having regard to the number of documents that have to be filled up by the person or firm liable to make the payments it does not seem, on the face of it, that any great saving of work is effected, and the saving on

cheque stamps will, we understand, be offset by the charge the Banks are making of 2d. for each payment. It is easy to see that questions of difficulty may arise in connection with the audit of the accounts and other matters, and developments will accordingly be watched with interest. Chambers of Commerce are giving the matter consideration, and will, no doubt, have some suggestions to make.

An interesting point, on which apparently there has not previously been any legal ruling, arose before Mr. Justice Luxmoore in the case of *Cousins v. The International Brick Company, Limited*. At a company meeting a poll was demanded, and the meeting was adjourned for the poll to be taken. Mr. Cousins had received proxies representing over 11,000 votes, but at the adjourned meeting the shareholders representing these votes attended personally. Mr. Cousins, nevertheless, claimed to use the proxies he had obtained, but the chairman ruled that they could not be accepted.

According to one of the company's Articles, a proxy was valid notwithstanding the death or revocation of the principal unless notice in writing withdrawing the proxy was received by the company prior to the meeting. Mr. Justice Luxmoore, in the course of his judgment, drew attention to the fact that the purported withdrawals of the proxies were not in order, as the adjourned meeting was merely a continuation of the original meeting, but the voting was such that it was necessary to deal with the further question whether the personal votes of the shareholders who had given proxies were effective. His Lordship said he could not think that in such a case the proxy vote could be accepted. The proxy was agent of the shareholder, who, as between himself and the proxy, could determine the agency at any time. He accordingly held that a shareholder who had given a proxy was not prevented from voting in person. The chairman was, therefore, correct in disallowing the proxy votes.

According to the *Financial Times*, the chairman of the Metropolitan Association of Building Societies, who is also managing director of the Abbey Road Building Society, recently expressed the opinion that a reduction of the present interest rate of 5 per cent. tax free, paid to investors by building societies, could not long be delayed. His view was that the peak of house building had passed, and, if that were so, then mortgage business was on the decline, and as building societies could only use their funds on

mortgages or trustee securities, the present yield on the latter would not justify the rate of interest hitherto paid. The Secretary of the Hearts of Oak Society said he anticipated a decrease of $\frac{1}{2}$ per cent. each way, thus reducing the rates to 4 $\frac{1}{2}$ per cent. for lenders, and 5 $\frac{1}{2}$ per cent. for borrowers. The chief difficulty appears to be to secure unanimity amongst the societies.

The chairman of the Nelson Financial Trust, speaking at the annual meeting of the company, said that a selected list of forty industrial ordinary shares had fallen in value on an average during the past two years by 44 per cent., of which the fall during the last twelve months was 26 per cent. In other groups of companies, he gave the falls since 1928 as follows :

	Per cent.
Railways (Foreign)	23
Railways (Home)	24
Banks (Indian and Australasian)	26
Electric Light and Power	10
Iron, Coal and Steel	63
Mines	41
Oil	29
Tea	45
Telegraph and Telephone	34
Rubber	48

The figures are certainly rather startling, especially as there seems to be no certainty that the bottom has been reached.

In July last we referred in these columns to the case of *In re Cockell; Jackson v. Attorney-General*, which raised the question whether an executor could by the exercise of his "right of retainer" prefer a debt due to himself to the preferential claim of the Crown for Income Tax and Super Tax. A testator died insolvent, leaving his widow sole executrix and legatee of his estate. Included among the liabilities were claims by the Inland Revenue Authorities for Income Tax and Super Tax and debts due to the widow, the latter being approximately equal to the value of the estate. Mr. Justice Clauson held that the widow was entitled to retain the amounts due to her in priority to the debts due to the Crown, and the Court of Appeal, by a majority, has now affirmed this decision. In delivering judgment, their Lordships pointed out that the priority given by the Act to the funeral, testamentary and administration expenses did not operate to take away the right of retainer, as testamentary expenses were necessarily incurred by an executor or administrator in obtaining a legal title to the assets, and reasonable funeral expenses were payable in priority to any debt or duty.

Some rather severe comments have been made in connection with the attitude of the Treasury in resisting a claim for the return of some £900 paid by a company as betting tax for which it subsequently appeared there was no liability. The case, viz., *National Pari-Mutuel Society v. The King*, turned upon the point whether the payment was voluntary or whether it was made through a mistaken view of the law. The Court of Appeal, affirming the decision of Mr. Justice Branson, found that the latter was the case, and accordingly decided in favour of the Crown. There is no suggestion that the decision is not good in law, the criticism being solely directed to the attitude of the Treasury in refusing to repay an amount for which there was admittedly no liability on the correct interpretation of the law.

The Bankruptcy Report of the Board of Trade for the year 1929, which has just been issued, shows that the total number of Receiving Orders made in England and Wales during that year was 3,929, which is 238 less than in the preceding year. Similarly the insolvencies administered under Deeds of Arrangement, which numbered 1,971, show a decrease of 88. The estimated liabilities, on the other hand, in both classes were greater, there being an increase of about 16 per cent. in the case of Receiving Orders and 20 per cent. in the case of Deeds of Arrangement. The magnitude of the liabilities is mainly accounted for by about 20 cases in each of which the liabilities exceeded £40,000. These cases alone represent about one-third of the estimated amount under the whole of the Receiving Orders for the year. The corresponding proportion for the year 1928 was only about one-fourth.

As usual, the facts reported against bankrupts by Official Receivers in connection with applications for discharge come mainly under three heads : (1) that the assets were not equal to 10s. in the £ on the unsecured liabilities ; (2) that the bankrupt had omitted to keep proper books of account ; and (3) that the bankrupt had continued to trade after knowing himself to be insolvent. Hazardous speculation was also reported in a large number of cases. Corresponding particulars as to insolvency are not available as regards Scotland, there being no obligation there to register Deeds of Arrangement, but the Sequestrations (which correspond to the English Bankruptcies) numbered 216 in 1929, as against 208 the preceding year, and the liabilities showed an increase of about 60 per cent.

As we go to Press we learn, with profound regret, that Sir Charles Wilson, formerly M.P. for Central Leeds, and a Past President of the Society of Incorporated Accountants and Auditors, died at his home, Osgodby Hall, Selby, Yorks, on December 30th, after a long illness, borne with great courage and fortitude. A full Memoir will appear in our next issue.

RESTRICTIVE COVENANTS IN EMPLOYMENT AGREEMENTS.

A CONTRACT in general restraint of trade, i.e., by which a man undertook not to ply his trade generally, was formerly regarded in law as contrary to public policy ; but a contract in partial restraint of trade, i.e., by which a man bound himself not to carry on his trade in a particular place for a certain time, was valid (*Rogers v. Parry* (1613)). Later, general restraint of trade came to mean a restraint against carrying on a trade anywhere for a given time, because during such time the person restrained could do nothing and the public were deprived of his services ; but a contract which bound a man never to carry on his trade in a particular place was only partial and therefore valid, because he could carry it on elsewhere.

In contracts of employment it would not be reasonable to impose the same restrictions upon the employee, after the termination of his employment, as a purchaser of the goodwill of a business would be entitled to impose upon the vendor. The employee can of course contract not to divulge or make improper use of his employer's trade secrets, or to solicit his customers, but the employee cannot be restrained from using his own skill and knowledge in his trade or profession, even if acquired when in the employer's service (*Morris v. Saxelby* (1916)). In other words, the right of the employer to protect his trade secrets and prevent his old customers from being enticed away from him, does not include protection against competition by the employee (*Hepworth Manufacturing Company v. Ryott* (1920)). Moreover, if a servant is not in a position to carry away his employer's trade secrets or to solicit his customers, a covenant in

restraint of trade will not be enforced against the servant (*Ropeways, Limited, v. Hoyle* (1919)). The validity of such a contract depends upon the question whether it was not more than was reasonably required for the protection of the employer, and unless there are circumstances showing some reasonable ground for imposing a restriction on a person's liberty to do what he can for his own support, that restriction will be held not binding upon him. But if a restraint is otherwise reasonable, the mere fact of there being no limitation as to time (e.g., never to engage in a certain profession within a radius of seven miles from a given place) does not render the restraint unreasonable (*Fitch v. Dewes* (1921)). Although a restraint is not more than is reasonably necessary for the protection of the employer, it will not be enforced if it is oppressive to the employee; it must be reasonable in the interests of both.

Where a restraint is too wide, the question frequently arises whether the restraint consists of several distinct terms. If it does, then the general rule applies that where you cannot sever the illegal from the legal part of a covenant, the contract is altogether void, but where you can sever them, whether the illegality be created by statute or common law, you may reject the bad part and retain the good (*Pickering v. Ilfracombe Railway* (1868)). But the severed parts must be independent of one another and capable of being severed without the addition or alteration of a word and without the severance affecting the meaning of the part remaining; if the severance of a part of the agreement gives it a meaning and object different in kind and not only in extent, the different parts of it cannot be said to be independent (*Attwood v. Lamont* (1920)). If the main purport and substance of a clause is a restraint against competition, the Courts will not enforce by severance any part of the clause, even though it be grammatically severable, for they will not come to the assistance of the employer and, by applying their ingenuity and knowledge of the law, carve out of a void covenant the maximum of what he might validly have required, because the hardship would be greatly increased, if having exposed the servant to the anxiety and expense of litigation, the Court would in the end enable the employer to obtain everything which he could have obtained by acting reasonably. Otherwise, the employer might obtain the full benefit of unreasonable provisions if the servant is unable to face litigation.

Any restraint of trade is, of course, to some extent a restraint against competition and,

moreover, a restraint against competition may be the only practicable method of securing a valid object such as the protection of trade secrets or customers; but there must be something more than a mere restraint against competition; there must be protection of some proprietary right in existence during the employment. Thus a restraint against soliciting customers of the employer who became his customers after the termination of the employment, was held in *East Essex Farmers v. Holder* (1926) to be invalid. The Courts will view restraints of trade which are imposed between equal contracting parties for the purpose of avoiding competition and carrying on trade without excessive fluctuations and uncertainties with more favour than they will regard contracts between master and servant in unequal positions of bargaining (*English Hop Growers v. Dering* (1928)).

In *Leng v. Andrews* (1909) a young journalist entered the service of a newspaper as junior reporter in a town where a rival journal was established. On entering the service he signed an agreement which contained a clause that he would not, after leaving the service, be connected with any other newspaper within a radius of twenty miles. It was held that the agreement was unreasonable and therefore invalid; that as the journalist was an infant the contract was good only if it was for his benefit, and the onus was on the employers to show this, and they must show, too, that the contract was not merely one under which the infant was to improve himself and get a salary, but that it was a contract which contained only clauses and provisions which were usual and necessary in contracts of this nature, which was found, as a fact, not to be the case in this instance.

In *Express Dairy Company v. Jackson* (1930) the defendant, when he was an infant, entered the service of a dairyman as a milk roundsman under a written agreement which contained the following restrictive words: "In consideration whereof and of the said wages the said employee doth hereby agree that he shall and will well and faithfully serve the said employer, his successors or assigns in the said business, and will not at any time within a period of two years from the termination of this contract and service in any way interfere with the trade or the customers belonging to the said business or served by the said employer, his successors or assigns, nor serve, solicit, or canvass, or endeavour in any way whatsoever to serve, solicit, or canvass, or cause to be served, solicited, or canvassed, directly or indirectly, any of the said customers with milk or dairy produce either for his own

benefit or that of any other person, persons, or company whatsoever, nor do any act, matter or thing which shall be prejudicial to the said employer, his successors or assigns."

The business having been sold to the plaintiffs together with the benefit of the agreement, the defendant soon afterwards gave them notice and left their employment and immediately began to work for another dairyman close by, calling on the plaintiffs' customers and serving them. It was held that as the word "customers" in the agreement included persons who first became customers after the defendant had left the employment, the restrictive clause was (apart from other objections) too wide and therefore unenforceable, and that the doctrine of severability was not applicable and an action to restrain an alleged breach of the agreement failed.

WHEN TIME IS THE ESSENCE OF THE CONTRACT.

THE popular proverb "Time is money" finds practical expression in our legal system governing contracts; indeed, our law goes further and declares that in commercial contracts time may be of even greater significance, for it draws vital distinctions between contracts in respect to which a delay may be adequately compensated by the payment or allowance of a sum of money, and those in respect to which a breach may not be so compensated. In the latter class the legal maxim is that "Time is the essence of the contract"—so that its disregard may render the contract wholly invalid.

A commercial contract in this sense is perhaps a narrower term in law than it is as used in business circles. For the law in speaking of a commercial contract in this connection is primarily concerned with contracts for the sale of goods. A business man might well think of a contract for the sale of land or buildings as being equally a commercial contract. The legal emphasis upon goods, however, is logical and reasonable. For a delay in delivering possession of lands or buildings contracted to be sold, however much inconvenience it may cause to the purchaser, can generally be compensated for by a payment in cash. In the case of goods, however, even a slight delay may render such a remedy quite unsatisfactory and inadequate to undo the mischief occasioned, since goods suffer from their perishable nature—a disability from which land (and to a great extent buildings also)

is immune. In other words, time is the essence of the contract. This distinction between land and goods was emphasised by the Court of Appeal in the case of *Reuter, Hufeland & Co. v. Sala and Co.* (1879), where the plaintiffs, complaining of the defendants' refusal to accept tender, were shown to have failed to declare 25 tons of pepper of the quality stipulated for in the contract within the shipment time specified. They contended that the defendants ought to be compelled to accept delivery with an allowance; the Court declined to accept this contention. Lord Chancellor Cairns had declared in the (then recent and since often quoted) case of *Bowes v. Shand* (1877) that commercial men must be presumed to attach some appreciable significance to time stipulations which they take the trouble to include in their contracts, a commonsense view to which the law must give effect.

It is important to observe that although a seller may have shown himself to be or likely to be in default in respect to a time stipulation the buyer is not thereby absolved from all responsibility. He is not free, for example, to keep to himself his decision to stand upon the legal rights accruing to him by virtue of the other's default; he must communicate his decision to the other, so that the defaulting party may have an opportunity of cutting his loss. Failure to do so would be in the eye of the law unreasonable conduct, depriving a buyer of remedies which might otherwise be available to him; for in the absence of a notification from the buyer that he intends to stand upon the delay as a ground for repudiating the contract, the seller may go to avoidable trouble and expense in endeavouring to implement the contract with as little further delay as possible. Furthermore, it is not open to a buyer to decline to accept delivery on the plea of lateness if in fact that plea is seen to be inconsistent with his own conduct. For example, a buyer, on becoming aware that the seller is getting behindhand, may urge upon the latter greater speed, or may protest that the delay is causing him or likely to cause him inconvenience. Such communications may well justify the seller in supposing that the buyer still regards the contract as valid and subsisting; the buyer may not, therefore, subsequently seek to assert that at the date of such communication he already regarded the contract as completely broken by the seller's breach of the time condition. This proposition is illustrated with regard to a contract for the sale of goods in the case *Hartley v. Hymans* (1920), whilst in *Paton & Sons v. David Payne & Co., Limited* (1897), a similar point arose with regard

to lateness in executing a contract for erecting a printing machine upon the premises of the buyer.

An interesting argument arose in *Aron & Co. (Inc.) v. Comptoir Wegimont* (1921). There, in a contract for goods to be shipped overseas, there was included a clause declaring that the buyer should not be entitled to reject delivery on the ground of lower value resulting from failure in regard to the specified "grade, type or description" of the goods. A strike at the port of shipment resulted in late delivery, and the buyers refused to accept the tender. The sellers contended that "description of the goods" in the clause above mentioned was sufficiently wide to include the time of shipment and that, therefore, rejection by the buyers was inadmissible under the terms of their contract. The Court held, however, that whilst time of shipment is undoubtedly part of the description of the goods in one sense, it is in another sense outside and above that description; it is, in fact, a "condition precedent," that is, a vital condition which must be fulfilled by the seller before any liability on the part of the buyer begins.

Two famous charter-party cases well illustrate the vital importance of strict adherence to time stipulations, whether they appear to be "mere description" or as specifically laying down time for beginning or ending performance of an undertaking. In *Behn v. Burness* (1862) the charterer of a ship stated in the charter-party to be "now in the port of Amsterdam" (contrary to the strict truth) was held entitled to repudiate the contract of charter-party because at its date the ship was not in the port. In *Glaholm v. Hays* (1841) a ship was chartered "to sail from England on or before February 4th next" for Trieste where she was to load a cargo; she was a few days late in sailing from England, and on her late arrival at Trieste the charterer declined to load the cargo, and was held to have been entitled so to decline.

The statutory rules relating to time stipulations are contained in sect. 10 of the Sale of Goods Act, 1893. Under its terms the Court will not hold that a stipulation relating to the time of payment is of the essence of the contract unless the contracting parties have made it clear that they intended it to be so.

Mr. Charles E. Dolby, F.S.A.A., of Messrs. Charles E. Dolby & Son, Incorporated Accountants, Liverpool, has been appointed a local director of the British Equitable Assurance Company.

Society of Incorporated Accountants and Auditors.

MEMBERSHIP.

The following additions to, and promotion in, the Membership of the Society have been completed since our last issue:—

ASSOCIATE TO FELLOW.

PRESTON, CHARLES WILLIAM, Humber Chambers, 50, Market Place, Hull, Practising Accountant.

ASSOCIATES.

ALLDAY, PHILIP FREDERICK, Clerk to Spence, Paynter & Morris, 6, Wardrobe Place, Doctor's Commons, London, E.C.4.

BASS, PHILIP STANLEY, Clerk to W. Campbell Watson & Co., 70, Scottish Temperance Buildings, Donegall Square South, Belfast.

BEAVEN, EDWIN GEORGE, Clerk to G. E. S. Heybyrne, 8, Friars Street, Newport, Mon.

CALLENDER, HENRY JOSEPH, Accountant's Department, Clacton Urban District Council, Town Hall, Clacton-on-Sea.

LYDDON, ARTHUR WILLIAM CUMBE, Clerk to S. H. Roberts, 7, Buckland Terrace, Plymouth.

OLLERENSHAW, ARTHUR, Clerk to J. Murphy & Co., Union Bank Chambers, Bridge Street, Stockport.

PARKER, REGINALD JOHN, Clerk to J. Earle Hodges, Wright, Judd & Co., Ridgway House, 41-42, King William Street, London, E.C.4.

PARTRIDGE, ERIC GEORGE, Clerk to Spence, Paynter & Morris, 6, Wardrobe Place, Doctor's Commons, London, E.C.4.

THOMAS, OLIVER JOHN, Clerk to Percy H. Walker, 4, Park Place, Cardiff.

WARNES, WALTER SCOTT, Clerk to W. H. & C. F. Warnes, 6, John Dalton Street, Manchester.

QUESTIONS IN PARLIAMENT.

Income Tax on Directors' Fees, &c.

Sir NEWTON MOORE asked the Chancellor of the Exchequer whether his attention has been drawn to the hardship imposed by the present basis of assessment of Income Tax on directors and officials of companies who, owing to the present depression in industry, have agreed to reduce or entirely to waive their remuneration, whereby, owing to the subject matter of assessment being the office or employment and the measure of liability being the amount of remuneration of the preceding year, the director or officer is frequently assessable on the full remuneration in the current year when he is in fact receiving a greatly reduced sum and very often nothing at all; and whether he will introduce amending legislation to relieve such directors from this burden?

Mr. P. SNOWDEN: I am aware that the system of assessing offices and employments to Income Tax on the basis of the preceding year's emoluments bears hardly for the moment on those whose emoluments have been reduced, whether voluntarily or compulsorily. This system, however, which was part of the scheme of simplification of the Income Tax introduced by the Finance Acts of 1926 and 1927, operates in general to the benefit of taxpayers, and under it those who are suffering an immediate hardship will gain a compensating advantage when their emoluments are increased. I do not see my way to propose an alteration of the law.

The Incorporated Accountants' Benevolent Fund.

THIRTY-EIGHTH ANNUAL MEETING.

The thirty-eighth annual meeting of the Incorporated Accountants' Benevolent Fund was held on December 9th, 1930, when there were present : Sir James Martin, J.P., President of the Fund, in the chair, Mr. Henry J. Burgess, C.C., and Mr. G. Palmer, Trustees ; Mr. Henry Morgan, President of the Society of Incorporated Accountants and Auditors ; Mr. E. Cassleton Elliott, Vice-President of the Society ; Mr. R. W. L. Clench, Mr. A. R. King Farlow, Mr. J. H. Grove, Mr. F. J. Harper, J.P., Mr. C. B. Hewitt, Mr. W. Holman, Mr. W. H. Payne, Mr. W. Paynter, Mr. S. H. Robb, Mr. Percy Toothill, Mr. R. T. Warwick, Mr. Richard A. Witty, Mr. J. C. Fay, Mr. W. J. Freeman, Mr. E. E. Edwards, and Mr. A. A. Garrett (Hon. Secretary).

Apologies for non-attendance were received from Mr. A. E. Piggott, Mr. E. W. C. Whittaker, J.P., and Mr. W. McIntosh Whyte (Trustees). The President intimated that Mr. Whyte had enclosed in his letter an additional donation of £10 10s.

President's Address.

Sir James Martin, in moving the adoption of the report and accounts for the year ended September 30th, 1930, said in some respects the report was disappointing. The annual subscriptions showed an increase of £12 1s. 6d. on the previous year, and the dividends and interest earned were £21 7s. 10d. higher, but life subscriptions had decreased by £42 and donations by £4 18s. The total income for 1930 was £1,360 13s. 5d., as against £1,373 17s. 1d. for 1929, showing a decrease of £13 3s. 8d. On the other hand, the relief granted by the Trustees was £198 6s. higher, as the amount had increased from £768 14s. in 1929 to £967 in 1930. Inasmuch as the Trustees were limited in their grants to the disbursement of the total sum received from annual subscriptions and dividends, it would be noticed that this amount was getting perilously near the maximum. It was not necessary for him to emphasise the need of the Fund or the great benefits it conferred upon present and former members who were in reduced circumstances owing to illness and other causes, and also the dependents of deceased members. Particulars of the grants made were set out in detail, with the exception of the names of the recipients, which were known only to the Trustees. The accumulated fund amounted to £9,603, and he submitted that it would be a small thing for him to ask that that amount should be increased to £10,000 before September 30th next, and that additional subscriptions should also be sent to the Trustees to enable them to deal generously with all the cases which it was intended that the Fund should benefit. He

expressed his thanks to Incorporated Accountants in the Dominions, in the United States and elsewhere for generous support, and he was especially grateful to his old friends in South Africa for their continued help and goodwill. (Hear, hear.)

Mr. George Palmer (Trustee) seconded the resolution.

Mr. C. B. Hewitt said he would like to suggest that in the revenue account each year the previous year's income and expenditure should be shown. This would emphasise to anyone looking through the accounts that the subscriptions and grants were up or down as the case might be. It was a small point, but, he thought, an important one.

Mr. A. R. King Farlow, in supporting the resolution, expressed some surprise that out of a total membership of approximately 5,400 only 1,190 members contributed to that excellent fund. (Hear, hear.) When they considered the benefits in which Fellows and Associates or the dependents of deceased members could participate, he thought it should bring home to a great many who did not subscribe that they ought to do so. The President had expressed a desire that the Fund's investments should be increased to £10,000—a very praiseworthy suggestion—and with that object, and in a very small way of making a start in that direction, he would like to subscribe an additional sum of £5 5s. (Applause.)

The motion was put to the meeting and carried unanimously.

ALTERATION OF RULES.

Sir James Martin, in accordance with notice previously given, proposed that Rule 19 be amended so that the words "six Vice-Presidents" should read "ten Vice-Presidents." The resolution was seconded by Mr. H. J. Burgess and carried.

ELECTION OF PRESIDENT.

Upon the motion of Mr. Henry Morgan, seconded by Mr. W. H. Payne, it was resolved unanimously that Sir James Martin be re-elected President of the Fund. Mr. Morgan said that there was no one better fitted to occupy that position than Sir James Martin, who was regarded by all the members with deep affection.

ELECTION OF TRUSTEES.

It was announced that Mr. W. McIntosh Whyte had written to say that, on grounds of health, he felt compelled to resign his position as Trustee. The subscribers accepted his resignation with much regret, and passed a vote of thanks to Mr. McIntosh Whyte for his services to the Fund.

Mr. Cassleton Elliott proposed the re-election of the following Trustees : Mr. A. E. Piggott, Mr. E. W. C. Whittaker, Mr. Henry J. Burgess and Mr. George Palmer. The motion was seconded by Mr. F. J. Harper and carried unanimously. Mr. Cassleton Elliott then proposed the election of Mr. W. H. Payne to fill the vacant Trusteeship caused by the resignation of Mr. McIntosh Whyte. This was seconded by Mr. H. J. Burgess and adopted unanimously. Mr. Payne expressed his thanks and appreciation for his election.

ELECTION OF VICE-PRESIDENTS.

Mr. R. T. Warwick moved the re-election of the existing Vice-Presidents, namely, Mr. Arthur Collins, Mr. A. R. King Farlow, Mr. Alexr. Hannah, Sir Harry Hands, K.B.E., J.P., Mr. G. S. Pitt and Mr. R. P. Phillips. The motion was seconded by Mr. Walter Holman and unanimously adopted.

Sir James Martin then proposed the election of Mr. McIntosh Whyte as a Vice-President of the Fund. They all appreciated Mr. McIntosh Whyte's service as Chairman of the Trustees extending over many years, and they much regretted that he was unable to continue this active work. His election as a Vice-President would be fitting and proper. Mr. Witty seconded the election, and the resolution was cordially adopted.

ELECTION OF HON. AUDITOR.

Upon the motion of Mr. F. J. Harper, seconded by Mr. J. H. Grove, Mr. W. Southwood Smith was unanimously re-elected Hon. Auditor for the ensuing year, with a vote of thanks for his services during the past year.

Mr. Henry J. Burgess proposed, and Mr. George Palmer seconded, a vote of thanks to Sir James Martin for his interest in the Fund and his conduct in the chair at that meeting.

Sir James Martin, in reply, emphasised their indebtedness to the Hon. Secretary, Mr. A. A. Garrett, and to Mr. J. C. Fay, the Chief Clerk in the Society's offices, for cordial support and assistance in the work of the Fund.

Report of the Trustees.

The Trustees have pleasure in presenting to the subscribers and donors their thirty-eighth annual report.

The total revenue shows a decrease as compared with the previous year of £13 3s. 8d.

The Trustees direct attention to the substantial increase in the number and amount of grants made during the past year, the amount voted being £967, as compared with £769 for the year ended September 30th, 1929. The Fund has an increasing and beneficent sphere of usefulness towards necessitous members, the widows and dependents of deceased members, and in the education of orphan children.

Particulars of the grants made are as follows :—

- £54 (in addition to £435 10s. previously granted to her and her late husband) to the widow of a former Fellow of the Society, who is in reduced circumstances.
- £50 (in addition to £386 10s. previously granted) to an Associate of the Society of advanced age (since deceased), whose small means were inadequate for his support.
- £40 (in addition to £180 previously granted) to the widow of a former Fellow of the Society.
- £52 (in addition to £168 previously granted) to the wife of a Fellow of the Society, who had to relinquish his practice owing to ill-health.
- £40 (in addition to £160 previously granted) to the widow of a former Fellow of the Society, who died after having been an invalid for many years.
- £30 (being balance of grant of £40, in addition to £110 previously granted) to a Fellow of the Society, who, for a time, has been unable to follow his profession.
- £84 (in addition to £268 previously granted) to the widow of a Fellow of the Society towards the maintenance and education of her four young children.
- £50 (in addition to £112 10s. previously granted) to a former member of the Society of over 80 years of age, who is blind.
- £50 (in addition to £112 10s. previously granted) to the mother of an Associate of the Society who was killed in action. The recipient is over 80 years of age.
- £40 (in addition to £80 previously granted) to the widow of an Associate of the Society, who was left with slender means, towards the education of her son.
- £20 (in addition to £56 previously granted) to a former Fellow of the Society in poor circumstances.
- £19 10s. (in addition to £77 8s. previously granted) to the widow of an Associate of the Society, who died at an early age and who was unable to make adequate provision for his family.
- £30 (balance of a grant of £40) to an Associate of the Society, who was in straitened circumstances owing to the sickness of his wife and family.
- £19 10s., part of a grant of £26 (in addition to £10 previously granted) to the widow of an Associate of the Society for immediate expenses in connection with the education of her son.
- £40 (in addition to £10 previously granted) to a Fellow of the Society in permanent retirement owing to ill-health.
- £52 (in addition to £13 previously granted) to the widow of a Fellow of the Society, who died at an early age, for the education of her child.
- £51 (in addition to £17 previously granted) to the widow of a Fellow of the Society for the education of one of her daughters ; a further grant is under consideration.
- £40 (in addition to £10 previously granted) to a Fellow of the Society in ill-health and straitened circumstances.
- £30 to the daughter of a former Fellow of the Society in straitened circumstances.
- £50 to the widow of an Associate of the Society who was killed in an accident, leaving several young children.

- £37 10s. (part of a grant of £50) to an Associate of the Society in ill-health and unable to follow his employment.
- £37 10s. (part of a grant of £50) to the widow of an Associate of the Society who was left in reduced circumstances.
- £10 (part of a grant of £40) to the widow of a Fellow of the Society left in poor circumstances.
- £10 (part of a grant of £40) to the widow of an Associate of the Society left without adequate means of support.
- £10 (part of a grant of £40) to the mother of an Associate of the Society left with younger sons to support.
- £20 to the widow of an Associate of the Society, resident abroad, left with two young children to educate and support.

The expenses of the Fund have been confined as usual to the necessary outlays for printing and postage.

The accounts for the year ended September 30th, 1930, duly audited, are annexed to this report, together with a full list of subscribers and donors.

Dated this 19th day of November, 1930.

JAMES MARTIN, *President.*
W. MCINTOSH WHYTE,
ARTHUR E. PIGGOTT,
E. W. C. WHITTAKER,
HENRY J. BURGESS,
GEORGE PALMER,
Trustees.
ALEXANDER A. GARRETT, *Hon. Secretary.*

THE INCORPORATED ACCOUNTANTS' BENEVOLENT FUND.

REVENUE ACCOUNT, *for the Year ended September 30th, 1930.*

	£ s. d.	£ s. d.
To Printing, Postages, &c.	79 1 2	
" Grants	967 0 0	
" Balance	314 12 3	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	£1,360 13 5	£1,360 13 5

BALANCE SHEET, *September 30th, 1930.*

	£ s. d.	£ s. d.	£ s. d.
Sundry Creditors	55 0 0		
Revenue Account—			
Balance at Sept. 30th, 1929	£9,288 10 2		
Add Balance for 1930 . . .	314 12 3	<hr/>	9,603 2 5
	<hr/> <hr/> <hr/>		
	£9,658 2 5		
	<hr/> <hr/> <hr/>		
Cash at Bankers—			
Current Account	73 8 0		
Deposit Account	100 0 0		
Investments at Cost—			
£3,937 3½ per cent. Con- version Stock	2,991 2 6		
£2,750 4½ per cent. Con- version Stock	2,582 5 2		
£400 5 per cent. Conversion Stock	418 6 0		
£900 4 per cent. Funding Loan, 1960-90	676 18 6		
£1,262 17s. 4 per cent. Con- solidated Stock	1,000 0 0		
£500 India 3½ per cent. Stock	533 9 0		
£484 17s. 4d. Local Loans 3 per cent. Stock	466 0 0		
£200 London County 3 per cent. Consolidated Stock	171 16 0		
£204 0s. 10d. New South Wales 5½ per cent. Stock, 1922-1932	197 3 9		
£208 10s. New Zealand 4½ per cent. Stock, 1929 . .	200 16 0		
£300 London and North Eastern Railway 4 per cent. 1st Preference Stock . .	246 17 6	<hr/>	9,484 14 5
	<hr/> <hr/> <hr/>		
	£9,658 2 5		

W. MCINTOSH WHYTE, *Chairman of Trustees.*

I have examined the above accounts, together with the Books and Vouchers, and find the same to be correctly stated. I have also verified the securities of the Fund.

61, West Smithfield, London, E.C.
November 17th, 1930.

W. SOUTHWOOD SMITH,
Incorporated Accountant,
Hon. Auditor.

Yorkshire District Society of Incorporated Accountants.

ANNUAL DINNER.

The annual dinner of the Yorkshire District Society of Incorporated Accountants took place at the Queen's Hotel, Leeds, on December 5th. The President, Mr. ARTHUR FRANCE, F.S.A.A., presided over a large gathering, which included the Lord Mayor of Leeds (Dr. A. Hawkyard, J.P.), the Hon. R. D. Denman, J.P., M.P., Mr. E. Cassleton Elliott, F.S.A.A. (Vice-President of the Society of Incorporated Accountants and Auditors), Mr. F. T. Chadwick, J.P. (President, Leeds Chamber of Commerce), Colonel H. D. Bousfield, C.M.G., D.S.O. (President, Leeds Law Society), Mr. Norman Hurtley, F.C.A. (President of the Leeds and District Society of Chartered Accountants), Mr. F. Smith, F.B.I. (Joint Manager of the Midland Bank, Leeds), Mr. Alfred Walton, F.C.A., F.S.A.A. (Past President of the Yorkshire District Society), Mr. Frederick Holliday, F.S.A.A. (Past President of the Yorkshire District Society), Mr. W. Metcalf McKenzie, F.S.A.A. (President of the Incorporated Accountants' Newcastle-on-Tyne and District Society), Mr. A. A. Garrett (Secretary, The Society of Incorporated Accountants and Auditors), Mr. T. Hudson (President) and Mr. H. Reynolds (Secretary, Bradford District Society), Mr. Arthur E. Piggott (Secretary, Manchester District Society), Mr. J. Telfer (Secretary, Newcastle-on-Tyne and District Society), Mr. Percy Toothill (President) and Mr. J. W. Richardson (Secretary, Sheffield District Society), Mr. J. E. Waring (Secretary, Leeds and District Society of Chartered Accountants), Mr. H. S. Wainwright (President) and Mr. K. Smedley (Secretary, Leeds and District Chartered Accountants' Students' Society), Mr. F. T. Chadwick (President) and Mr. Rhodes K. Calvert (Secretary, Leeds Chamber of Commerce), Mr. C. P. C. Hitchen (President, Leeds Chamber of Trade), Dr. G. H. Austin (Leeds College of Commerce), Mr. H. C. Wood (Secretary, West Yorkshire Branch of the Chartered Institute of Secretaries), Mr. H. Goodison (President) and Mr. A. Crosby (Secretary, Yorkshire Branch of the London Association of Accountants), Mr. H. E. Clegg (Secretary, Leeds Law Society), Mr. James Mitchell (City Treasurer, Leeds), Mr. Thomas Thornton (Town Clerk), Mr. T. W. McLeod (H.M. Inspector of Taxes), Mr. H. B. Frank (Barclays Bank Limited), Mr. H. Bushby (National Provincial Bank Limited), Mr. J. C. MacDonald (Westminster Bank Limited), Mr. E. H. Rushton (Yorkshire Penny Bank Limited), and Mr. F. W. Tideswell (Martins Bank Limited).

Col. H. D. BOUSFIELD, C.M.G., D.S.O. (President of the Leeds Law Society), proposing the toast of "The Society of Incorporated Accountants and Auditors," said that with the exception of the loyal toast this was the most important toast on the list. He had been selected in his official capacity as President of the local Law Society, and in selecting him in this manner the Society had done honour to his profession. He would say something before he finished about the mutual relations of their professions. He wondered if it were too much of a chestnut to prove that accountancy was the oldest profession in the world. It was easy to prove. Noah had definite instructions to take an accurate statistical record of every animal as it entered the Ark. The animals went in two by two, but it was not so simple as that. Instructions were given that of every clean beast and bird two of each sex were to be taken in, but of every unclean beast and

bird seven of each sex. Noah was six hundred years of age when the floods came upon the earth, which seemed to prove conclusively that at any rate there was one gentleman who practised the profession of accountancy for nearly six hundred years before the flood. (Laughter.) He wanted to say one word about the very competent Secretary of the Yorkshire District Society. He did not think he had ever been to a public dinner where so much courtesy had been shown to him, where the arrangements for the dinner had received such meticulous care. A fortnight before the dinner he received his invitation, and when he replied he received a time table which told him that he was to speak for ten minutes. In fact, the toast list looked more like a battle operation order than anything else. There was more than one way of proposing a toast. A temptation had been laid before him in the *Journal*, where he had found a verbatim report of a speech in proposing this particular toast. Then later he turned to the Society's handbook, from which he might have compiled statistics relating to their activities and have produced a speech of that kind. He had rejected those methods and had made no preparation at all. He wanted to tell them just what he thought of the profession, and to tell them quite sincerely that the happiest moments of his professional life were when he was associated with one of their profession in working out some difficult problem to the advantage of their mutual client, whether it was the re-organisation of a company or of some family business, or whether it was a complicated estate where it was extremely important that the method of division should be an accurate one. They all knew about Income Tax and Sur-tax, but it seemed that the time had come when this taxation had reached absolutely the breaking point. The very fact that this class of business had increased enormously went to show this. The fact also that income was sent out of the country to come back again in the form of capital showed that they had reached the breaking point. Any further increase would not only send income out of the country, but it would send the owner out also. We were killing the goose which laid the golden egg. He congratulated the Society on the high standard of their *Journal*. He usually took home the *Law Times* on a Saturday, but on the day he took home the *Journal* he never got to the *Law Times*. (Laughter.) He also congratulated them on the beautiful building which they owned on the Victoria Embankment, and on the possession of such a worthy home. He would like to wish the Society all prosperity in the future in carrying out its three functions, which seemed to be the education of those coming into the profession, the promotion of intercourse between adults who were engaged in the profession, and, thirdly, providing for those who had fallen by the way, and for the widows and orphans of members. Over-riding all these three activities was the object of raising the status of the profession. In this function he wished them the utmost success. He knew of no profession of which he had such kindly feeling or from which he had received such kindly treatment in his professional career. (Cheers.)

Mr. E. CASSLETON ELLIOTT, F.S.A.A. (Vice-President of the Society of Incorporated Accountants and Auditors), responding, said the members of the Society appreciated more than they could say the kindly references made by Col. Bousfield to their profession. It was a great thing to be able to recognise the friendship which existed between the members of the two professions. Lawyers had to study accountancy, but when it came to dealing with accounts they left them alone and gave the work to them. In exactly the same way accountants studied law, but when it came to actual practice they were only too

delighted to hand over the legal problems to their friends the lawyers. Each profession was complementary to the other.

The Society, which was founded in 1885, had shown considerable growth during the last few years, and now had a membership of about 5,500. He was delighted to represent the Society, which had recently done him the very great honour of electing him Vice-President. He had received a letter from Sir Charles Wilson, that doughty champion of Incorporated Accountants, who, unfortunately, was unable to be present owing to illness. The very least they could do was to send to him from the meeting a telegram conveying the best wishes of those present. A notable development in the Society's work had been the division of the country into districts, and the last District Society to be formed was that of London, at whose inaugural luncheon a few days ago they had as the guest of honour Sir James Martin. The function, he need scarcely say, was most successful, and was a good omen for the future of the new District Society. The Yorkshire District Society was founded in 1894, and now had a membership of 500. It was a great credit to the Yorkshire Society that when the regulation was put into operation that members of the Parent Society must become members of the District Society the membership of the Yorkshire Society was increased by only one-third. That showed great keenness somewhere, and as the President changed each year it could not be due to him. He thought it was due to the Secretary, Mr. Dresser. That evening they welcomed the new President, Mr. Arthur France, who he was sorry to see was of such a modest and retiring disposition that he did not appear on the toast list apart from the loyal toast. He was elected just before the Sheffield Conference and esteemed it a very high honour to be the representative of Yorkshire. He was glad to see that in these days of depression Leeds had recently distinguished itself by obtaining the contract for the electric motors for the new Ford works now being erected at Dagenham. The value of the contract amounted to several hundreds of thousands of pounds. The fact that that contract was obtained in the face of intensive foreign competition was evidence, in spite of the pessimists, that the spirit of enterprise was still active. The Press had recently devoted some attention to the powers of auditors of companies. Although a new Companies Act had quite recently come into force some distinguished members of their profession considered that in some respects the Act did not give sufficient protection to the public. Sir James Martin, a member of the Board of Trade Committee on Companies, on whose report the Act was based, referred to this question at the luncheon to him last week. Sir James stated that, in the opinion of the Companies Committee, it was impossible to make provision for every kind of wrongdoing, and it would be a mistake to hamper trade and honest men in carrying on their businesses by too stringent regulations. The editor of a leading daily paper stated that the powers and duties of auditors were too limited, and that where audited accounts had disclosed an unsatisfactory position it had rarely been due to the fault or shortcomings or inefficiencies of the auditors. He went on to say that members of the leading bodies of professional accountants went to great lengths—much further than the law demanded—to satisfy themselves that any balance sheet they certified represented as true a picture of a given company's state of affairs as they could humanly construct. That was a very high tribute to auditors, and one which he liked to think was well deserved by Incorporated Accountants, because they endeavoured to do more than carry out the bare letter of the law. Their purpose was to ensure as

far as possible that a balance sheet showed the true position as it appeared to them. If they had any qualifications to make them hesitate, or else they saw that the balance sheet was drawn up by the directors so that the items were not ambiguous. That was their general practice and one which he commended most sincerely to the younger members and students who were present. When preparing a balance sheet they should endeavour to place themselves in the position of the general public, and they should ask themselves what conclusions the general public would draw from the way in which a particular asset or liability was stated. Their attitude should be to try to assist the public as far as they could. (Cheers.)

The Hon. R. D. DENMAN, M.P., in proposing the toast of "The City and Trade of Leeds," said that there was much in common between him and the accountants who were present. The great charm of the Central Division of Leeds was that in it was represented every kind of activity; there was no constituency in the country which was a better microcosm of Britain as a whole. In the same way accountants took all kinds of business as their province. In this width of interest they had a bond of sympathy. It was their common business to elucidate fact, to discover the truth and reveal it, but no one outside an asylum would suppose they were engaged in revealing the whole truth. They both had hidden reserves, although he freely admitted that the hidden reserves of the politician were not on the same ethical plane as the hidden reserves of the accountant. Leeds had as wide a range of industrial interests as any city in the country, and he thought it high time that the city developed a school of politico-economic thought. History was rich in references to the Manchester School. Leeds had just that kind of experience to enable it to start such a school, which he thought should be on the lines of compulsory co-operation. As one trained in the Victorian ideas of business, he was really shocked at the way in which business looked to the Government for assistance in all kinds of difficulties, and the Government was bound in the present circumstances to take a hand in doing things which the Victorian business man would have been ashamed to let anybody else do. We had seen of recent years the growing tendency of Government interference in business. What he believed we had to do was the work performed in earlier times by the guilds in regulating the affairs of each trade, in controlling production and organising marketing; in fact, all that was understood by the modern jargon of rationalisation. Each industry should have power to make such laws as it considered necessary for the common good and to compel recalcitrant minorities. He had recently travelled in the East, and everywhere he saw evidence of depression, the slump in the price of products, and unemployment. There was a disorganisation of industry consequent on the lack of purchasing power. He hoped that Leeds was ready to take advantage of a change when it came. He was optimistic for the North, because in the long run the only thing that mattered was human character. Economic fluctuations came and went. Some people said that our people could no longer manage their businesses, and the workers were slackers. He did not believe it, nor that there was any sign of decadence. The North Country spirit was still capable of enterprise and vigour and hard work. (Hear, hear.)

The LORD MAYOR (Dr. A. Hawkyard), in reply, recalled the many changes in the industrial life of the city since he was a boy. He was alarmed at the decreasing birth rate, which gave us food for thought. If the population declined there must be a decline of prosperity.

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The
Christmas
card of Mr. Henry Morgan, President
of the Society of Incorporated Accountants and Auditors,
took the form of a beautiful little etching of Incorporated
Accountants' Hall.

Mr. ALFRED WALTON, F.S.A.A., F.C.A. (Past President of the Incorporated Accountants' District Society of Yorkshire), in proposing "Kindred Institutions and Societies," said the members of all the organisations represented there were engaged in the identical work of trying to make more perfect and efficient the business machine of the country. The Institute of Chartered Accountants and the Society of Incorporated Accountants had worked harmoniously in all matters relating to the interest of the profession until last year they were divided on the question of registration of accountants. So far as the Institute was concerned he thought the subject had been disposed of for twenty years, whether to the benefit of the profession and the community time only would tell. The Institute of Chartered Secretaries was doing a very good work ; its examinations were of a very high order, and he admired the plucky fight put up two years ago by that body with reference to the numbering of share certificates in public companies. In conclusion, he referred to the change in the conditions of banking from the time when it was more a personal affair and a man could approach his banker and get what financial assistance he wanted without security, or only partial security. On behalf of those present he tendered congratulations to the new Freeman of Leeds, whose family had been connected with banking in the city for nearly two hundred years.

Mr. NORMAN HURTLEY, F.C.A. (President of the Leeds and District Society of Chartered Accountants), in reply, referred to the fact that the Institute opposed the registration of accountants. They were as anxious as anyone for the welfare of the profession ; the difficulty was that, while one could define the work of the doctor, the lawyer, or the dentist, it would take a very clever man to define the work of an accountant. The duties which they were called upon to perform were vastly different from those of fifteen or twenty years ago. While one might register the members of the profession, the difficulty was to control the work which they might be called upon to do.

Mr. F. SMITH, F.B.I., Joint Manager, Midland Bank, Leeds (representing the Institute of Bankers), also responded, remarking that they, as bankers, were greatly interested in the help and assistance which accountants gave to the customers of the banks. They would be far less happy if they had not the feeling that business men were being coached up in the best ideas regarding their trade. Bankers held a very high estimate of the abilities of both Chartered and Incorporated Accountants.

Mr. FRANK HOLLIDAY (Past President of the District Society) proposed the toast of "The Guests," and Mr. W. METCALF MCKENZIE (President of the Newcastle-on-Tyne and District Society of Incorporated Accountants) replied.

UNEMPLOYMENT INSURANCE COMMISSION.

Ministry of Labour Evidence.

The Royal Commission on Unemployment Insurance held its first public sitting on December 19th, at Broadway Buildings, Westminster.

Judge Holman Gregory presided, and other members of the Commission present were Mrs. C. D. Rackham, Labour member of the Cambridgeshire County Council, Mr. W. Asbury, Professor Henry Clay, Dr. H. J. W. Hetherington, Mr. E. C. P. Lascelles, and Mr. H. M. Troucer.

Sir Francis Floud, K.C.B., the Permanent Secretary of the Ministry of Labour, in a memorandum which he presented on behalf of the Ministry, stated the present position of the unemployment insurance problem.

Dealing with the depression of 1930, Sir Francis said : "It is a commentary on the scheme that in spite of this economic catastrophe the workpeople as a whole have not suffered the acute personal hardship and destitution previously accompanying less serious depressions, and the country has been free from any extreme forms of industrial unrest. No system of unemployment relief could have survived such an experience without showing signs of strain. Some of the defects in the insurance scheme may be temporary, but there are some more serious which threaten danger to the whole structure. In the first place the fund is heavily in debt, and the debt is increasing rapidly. When the general scheme came into operation in 1920 there was no debt, but an invested fund of some twenty-two million pounds.

"The debt on December 6th, 1930, was £57,920,000, and was increasing at the rate of forty million pounds a year. The gap between income and expenditure and the large accumulated debt constitute important problems for the Commission. The increase of debt is taking place notwithstanding that the Exchequer now makes an additional grant equal to the whole cost of transitional benefit, thereby relieving the ordinary revenue of the fund.

"The second point is the growth of the cost of this transitional benefit—that is the benefit paid to the large and growing proportion of the unemployed of the age of eighteen and over who are receiving assistance of the same amount and almost entirely in the same conditions as persons receiving contributory unemployment benefit. Those persons include all the people who have been in steady employment for many years, but who in recent years have paid fewer contributions, and those irregularly, a number of persons who came into employment only in recent years and who have only paid a small number of contributions, and, at the bottom of the scale, those who are no more than just within the employment field. They do little work at any time, but are able to satisfy the relaxed transitional conditions. The total of this class has grown from some 140,000 in February, 1930, to some 400,000 up to date, and they are at present costing the Exchequer more than £22,000,000 a year, and the problem of what is to be done with persons of this category who, while still mainly in the employment field, cannot fulfil the conditions of the insurance scheme proper, is one of the most urgent and important of those which the Commission will have to consider.

"In the first place there is from various quarters growing criticism of the unemployment insurance scheme. This criticism has arisen not only on account of the great rise in the unemployment figures with the consequent heavy increase in the burden on public finances, or any general view upon the relation between the volume of unemployment and the rate of benefit, but also on account of the belief that unemployment benefit is being paid in many cases which are alleged to be outside the proper scope of any unemployment insurance scheme, though within the letter of the present scheme, e.g., in the case of married women, week-end and casual workers and seasonal workers.

"There is also criticism of the scheme on the ground that it encourages uneconomic short-time working, that it facilitates arrangements by employers which lead to the casualisation of labour, hampers industrial reorganisation, impedes the mobility of labour and results in a system of subsidising wages out of the Unemployment Fund which is thoroughly uneconomic and may, in the long run, tend to depress wage rates in the trades affected. There are also suggestions that the scheme is having a detrimental effect on the morale of both employers and workers, and that it is leading to undue reliance on State support and to a slackening of individual enterprise and effort. The Ministry would furnish the evidence it possessed on the matters which had been the subject of criticism and the Commission would no doubt obtain evidence from other quarters with a view to making such recommendations as would correct any abuses which were proved to exist and generally place the scheme on a basis which would command public confidence and prove beneficial to the nation as a whole."

Mr. James F. G. Price, C.B., A.S.A.A., Assistant Principal Secretary to the Ministry of Labour, who is in charge of the Unemployment Insurance Department, mentioned that in Glasgow the registered unemployed now numbered over one hundred thousand, and since 1920 the number had never been below thirty-six thousand. In Liverpool the present number was 86,000 and that city's best figure had been thirty-seven thousand in 1927. That was an indication of the background that the scheme had had to work against all through the period since 1920. One feature of this unemployment must never be overlooked, Mr. Price continued. It was not a standing army of the same individuals. There was a very rapid change-over in the great majority of the unemployed. In a year, when the register numbered from one million to one and a quarter millions, there would be four million different individuals registered at one time or another at the different exchanges. That was the normal operation of industry. Freedom from industrial unrest was among the factors that had been taken into consideration in a review of the working of the scheme.

"Results had not been obtained without doing considerable violence to the original conceptions of the scheme. We had moved, said Mr. Price, from the position when benefit was paid strictly according to the number of contributions that the contributor himself had paid, and that only for a limited period, within twelve months, to benefit for any unlimited period without relation to contributions.

The scheme was now running into debt at the rate of £40,000,000 a year. The normal revenue was £45,000,000, and for the current year the benefit paid was £107,000,000. That was a shortage of £62,000,000 on normal revenue. The Exchequer was bearing £22,000,000 of that outright by shouldering the cost of transitional benefits. The

balance of £40,000,000 was being borrowed and would continue to be borrowed until some remedy for the present state of affairs could be found. Whether it was to be found by an increase of income or a reduction of expenditure, or the two together, and how either or both would be arranged, was, he was glad to say, for the Commission and not for him to decide.

Judge Holman Gregory asked if it was from transitional benefit that what had been called abuses of the dole had arisen.

Mr. Price : If by abuses you are referring to married women and others mentioned in the memorandum presented, the answer is "yes," except in cases of short-time workers. It was not suggested, Mr. Price emphasised, that there was fraudulent abuse, but that the scheme could be used by people to obtain benefit in cases where it was alleged there was no moral claim to the money. The Commission would have an opportunity of seeing what was the size of the problem.

The debt on the scheme, Mr. Price submitted, might fairly be looked on as the price that had had to be paid for what was done. "It cannot go on for ever," he added, "and the problem now is what is to be done in its stead."

"Suppose," said Judge Holman Gregory, "a man makes up his mind that he won't work, that he will draw benefits as long as he possibly can. Is there anything to prevent him?"

Mr. Price : There is one outstanding thing : there is the offer of employment at the Exchange.

Judge Holman Gregory : Suppose he isn't offered work at the Exchange, but that there is work if he likes to do it?

Mr. Price : You mean work that is not within the knowledge of the Exchange?

Judge Holman Gregory : Yes, because you tell us that not all employers go to the Exchange.

Mr. Price : The man is normally a worker in a particular occupation. The Exchanges have the best information about the state of employment in all occupations, and if they knew that work was available for the man they would draw his attention to it, and unless he followed the instruction given to him he would be put to the Court of Referees.

Judge Holman Gregory : That is leaving the subject dependent on the intelligence, knowledge and businesslike adaptability of the officials of the Exchange.

Mr. Price : The officials have the knowledge of the availability of work of particular kinds for an applicant.

Judge Holman Gregory : Have you considered whether any provision could be made which would prevent a man who set himself to live at the expense of the Insurance Fund from doing so?—Well, if I may put it without saying it as a recommendation, there is one obvious way, and that is to make the benefit dependent on the contributions paid.

(The examination of Mr. Price had not concluded when the Commission adjourned, and the remainder of his evidence will be published in our next issue.)

Among the results of municipal elections in our last issue there should have been included the return of Mr. Alfred E. Pugh, Incorporated Accountant, Newport (Mon.), who retained his seat for the St. Julian Ward on the Newport Town Council by an increased majority.

Changes and Removals.

Messrs. J. E. P. Close & Co., Incorporated Accountants, 106, Adderley Street, Cape Town, have admitted into partnership Mr. P. L. Close, A.S.A.A., and Mr. J. C. F. Hartford, A.S.A.A., who have been associated with the practice for many years. There is no change in the firm's name.

Messrs. Spicer & Pegler, Chartered Accountants, announce that Mr. A. F. Saunders, F.C.A., F.S.A.A., has retired from the firm. The practice will be continued by the remaining partners and the address of the firm will remain as hitherto, namely, 19, Fenchurch Street, London, E.C.3.

Mr. James M. McCubbing, C.A. (Edinburgh), has joined Mr. A. F. Saunders, F.C.A., F.S.A.A., in partnership, and the style of the firm will be Saunders & McCubbing. The address of the firm from January 1st, 1931, will be 4, Crosby Square, London, E.C.3.

Messrs. Woolley & Waldron, Incorporated Accountants, have removed their office from 6, Portland Street to Blue Peter House, 8 and 10, Portland Terrace, Southampton.

Messrs. Rhodes & Stringer, Incorporated Accountants, 31, Manor Row, Bradford, announce that they have admitted into partnership Mr. C. E. Thomas, A.S.A.A., and Mr. G. A. Wrigley, A.S.A.A. The practice will be continued under the style of Rhodes, Stringer & Co.

Mr. J. Oakley Worrall, Incorporated Accountant, announces that his partnership with Mr. Alfred Armstrong, F.S.A.A., under the style of Armstrong, Worrall & Co., at Manchester and Liverpool, has been dissolved by mutual consent. The Liverpool practice will be continued by him under his own name at Baliol Chambers, 15, Stanley Street, Liverpool.

Messrs. S. R. Batliboi & Co., Incorporated Accountants, of Grant Lane, P.O. Bowbazar, Calcutta, have taken into partnership Mr. V. F. Viccjee, A.S.A.A.

Messrs. Harper, Groves & Co. announce that Mr. P. R. Forrest Groves has retired from the firm. The practice will be continued by the remaining partners under the style of Harper, Kent & Wheeler, Incorporated Accountants, at Tower Chambers, 30A, Pride Hill, Shrewsbury, and Alexandra Chambers, High Street, Whitchurch (Salop).

Mr. H. H. Bobart and Mr. W. R. Baskett, who have hitherto practised as H. H. Bobart & Co., will in future carry on their profession under the style of Bobart, Baskett & Co., Incorporated Accountants, at Gresham College, Basinghall Street, London, E.C.2.

Messrs. Charles R. Whitnall & Son, Incorporated Accountants, Liverpool, announce that following the death of Mr. Charles R. Whitnall, F.S.A.A., the practice will be carried on by Mr. C. Dudley Whitnall, A.C.A., A.S.A.A., under the same style as before.

Messrs. W. H. Spendlove & Co. have removed their offices from 3, New Street, to Norfolk House, 36, Cannon Street, Birmingham.

Mr. Robert H. Benson, Incorporated Accountant, has removed his office from 20, Mount Street, to 41, Spring Gardens (top of King Street), Manchester.

Mr. A. E. Smith, Incorporated Accountant, announces that he has removed his office to Regent Chambers, Hall Cross, Doncaster.

Mr. Alan P. Burton, Incorporated Accountant, has changed his professional address to National Provincial Bank Chambers, Keighley.

Mr. Albert H. Crumpton, Incorporated Accountant, announces his removal from Oxford Chambers, Cliff Street, Bridlington, to 11, Albion Street, Hull.

Messrs. Denney, Bogle & Co. have removed their office to 171, Finsbury Pavement House, London, E.C.2.

Obituary.

ALFRED COTTON HARPER.

Mr. Alfred Cotton Harper, F.C.A., senior partner in the firm of Messrs. Harper Bros. & Feather, London, passed away on November 27th at the age of 80. Mr. Harper was the last survivor of the members who constituted the original Council of the Institute of Chartered Accountants half a century ago. Before then Mr. Harper was a member of the old Society of Accountants in England, which was merged into the Institute upon the grant of a Royal Charter. Mr. Harper took an active interest in that Society, of which he was secretary for a number of years. He was appointed Vice-President of the Institute for the year 1921-1922, and in other ways his colleagues showed their warm regard for him. Mr. Harper was a man of much geniality and was popular with every section of the profession.

CHARLES ROWLEY WHITNALL.

As the December issue of the *Incorporated Accountants' Journal* was passing through the press, news arrived of the death of Mr. Charles Rowley Whitnall, F.S.A.A., senior partner in the firm of Messrs. Charles R. Whitnall & Son, Incorporated Accountants, Liverpool. Mr. C. R. Whitnall was elected a Fellow of the Society in the year 1899, and was a Past President of the Liverpool and District Society of Incorporated Accountants. He had many public and other interests, and was much esteemed by his professional colleagues.

OFFICE MACHINERY USERS' ASSOCIATION.

At a meeting of the Office Machinery Users' Association held at the London School of Economics and Political Science last month, Mr. John Mackie, F.C.A. (Ireland) read an interesting paper on "The Human Factor in the Use of Office Machinery." Mr. Mackie based his paper upon extracts from a number of other papers which have recently been read at meetings of this Association, showing how in general the reasonable requirements of the human office staff are taken into account when machinery is introduced into an office, and that real success cannot be expected under any other conditions. An interesting and animated discussion followed the reading of Mr. Mackie's paper.

Mr. John H. Hort, F.S.A.A., was elected unopposed to the Bootle Council on December 10th.

THE PRESIDENT OF THE SOCIETY OF INCORPORATED ACCOUNTANTS AND AUDITORS AND THE ECONOMIC FINANCE CORPORATION, LIMITED.

We are requested to publish the following :—

1. *Circular.*

THE ECONOMIC FINANCE CORPORATION, LIMITED.
94, CANNON STREET,
LONDON, E.C.4.
December 5th, 1930.

DEAR SIR OR MADAM,

Enclosed we beg to hand you a copy of our book entitled "Wealth Through the Ages." It does not relate to investment, but is an interesting economic history which we are sure you will enjoy reading.

The business of the Company will be found on page 22, and it will be seen that we do no business in Stocks and Shares, and also that there is NO RISK attached to the form of investment dealt in by us, which is NON-SPECULATIVE.

Profits vary over a period of four to six weeks, the minimum being about 5s. per holding; but they tend to increase.

CAPITAL AND PROFITS are returned on the date stated in the Advice Notes issued from time to time, and you may rest assured that any business you may do with us is absolutely immune from the risks attached to investing in Shares.

If you are at all interested we shall be glad if you will advise us, when a copy of the next Advice Note will be sent to you.

An interesting explanation of our front cover design will be found on page 3.

If you are not quite clear about any detail, kindly write for information.

Yours faithfully,

ECONOMIC FINANCE CORPORATION, LTD.

2. *Enclosure with Circular.*

**EXTRACT FROM THE SPEECH OF
MR. HENRY MORGAN,**

President of the Society of Incorporated Accountants.

Mr. MORGAN has conducted an examination of the records of 58 companies formed during the last six months of 1928.

These 58 concerns had an issued capital of £15,117,000. His figures show that those who subscribed for shares at the flotation of these companies have lost approximately 95 per cent. of their capital.

All but six of the companies included in their prospectuses profit estimates which, if they had been fulfilled, would have meant a total profit for all of them of £5,219,000.

Their actual achievements are significant if depressing. Only 16 have yet published their first accounts, and all but two of these are in liquidation. Of the remaining 36 companies, only five earned profits, which totalled less than £48,000, as compared with prospectus estimates of £214,000.

The remaining 31 companies whose accounts were available suffered losses totalling £609,000, instead of the profits totalling £3,178,000 estimated in their prospectuses.

Only one out of the 58 companies has paid a dividend, and 27 are already in liquidation, 14 of them under compulsory orders.

This record of how much money can be lost by investors in the shares of Limited Liability Companies is worthy of attention.

3. *Enclosure "A" with Circular.*

NON-SPECULATIVE.

Telegraphic Address : **"Econfincorp, Cannon, London."** Telephone : **Mansion House 7221 and 7528.**

ECONOMIC FINANCE CORPORATION, LTD.
Directors : **C. H. Holdaway and A. E. Crawley,**
94, CANNON STREET,
LONDON, E.C.4.
December 5th, 1930.

Advice Note No. 48, Loan No. 90.

Arrangements have been made to utilise Capital amounting to £4,000 for a period of Five Weeks. OBJECT : To Finance the Purchase and Sale against Documents of 385 bags Coffee (TANGANYIKA).

Each holding of £5 will receive a portion of the profits amounting to 10s. 0d. approximately.

Capital and Profit will be returned on *January 16th, 1931.*

No Subscriber will be allowed a holding of more than £500 in any one Loan unless by previous arrangement and written agreement of the Company.

Applications will be received up to but not later than Wednesday, December 10th, 1930.

(Application Form "B" and Certificate "C" to be signed by the Corporation follow the above.)

4. *Copy of Letter from Society's Solicitors to the Economic Finance Corporation, Ltd.*

STONE HOUSE,

128, BISHOPSGATE,

LONDON, E.C.2.

December 12th, 1930.

THE ECONOMIC FINANCE CORPORATION, LTD.,

94, Cannon Street, E.C.4.

DEAR SIRS,

We have been consulted with regard to your use of what purports to be "An Extract from the Speech of Mr. Henry Morgan, President of the Society of Incorporated Accountants," in connection with the business of the Company. Mr. Henry Morgan takes great exception to the use of his name without his authority, and we are instructed to make a strong protest against such use.

From the wording of the document under Mr. Morgan's name it is obviously not "An Extract"

of a Speech, and we are instructed that it does not in several particulars represent Mr. Morgan's Speech.

To avoid any question of further action being taken we shall be glad to have your unqualified assurance that the use of the document to which we refer will be discontinued henceforth.

Yours faithfully,
(Sgd.) NORTON, ROSE & CO.

5. *Copy of Reply by Solicitor to the Economic Finance Corporation, Ltd.*
COLONIAL HOUSE,
TOOLEY STREET,
LONDON BRIDGE, S.E.1.
December 18th, 1930.

Messrs. NORTON, ROSE & Co.

DEAR SIRS,

Your letter of the 12th instant addressed to the Economic Finance Corporation, Ltd., of 94, Cannon Street, E.C., has been handed by them to me with instructions to deal therewith.

According to my instructions the "Extract" in question is a true Extract of the statements made by your client.

Obviously there is no question of any Action.

If your client objects—and is prepared to contradict what he has said—my clients have no desire to quote him.

Certain pamphlets have been sent out, and, in deference to your request, but "without prejudice" to my clients' rights, they are quite prepared not to report your client in future.

Yours faithfully,
(Sgd.) J. ALBERT DAVIS.

ARREARS OF TAXATION.

In the House of Commons Mr. Smithers asked the Chancellor of the Exchequer what is the amount of arrears to date of Income Tax, Super-tax, Sur-tax and Excess Profits Duty, respectively?

Mr. P. Snowden: As the answer is a long one and contains a number of figures, I will, with the hon. Member's permission, circulate it in the Official Report.

(Following is the answer):

In the case of Income Tax the only estimate that I can furnish in respect of arrears outstanding for past years is the amount of those arrears which it is estimated will be collected during the current financial year. At September 30th last this amounted to about £15,000,000, including arrears of the second instalment of the tax for 1929, which was payable on July 1st last. At the same time the amount of Sur-tax and Super-tax in assessment which will ultimately prove to be collectable, after allowing for reductions and discharges, was estimated to be about £7,500,000. In the case of Excess Profits Duty I am not in a position to say how much duty remains to be paid. At September 30th the gross amount of Excess Profits Duty in assessment amounted to about £44,000,000, but, as the hon. Member is no doubt aware, the assessments to Excess Profits Duty are liable to considerable reductions and discharges, and the duty that will ultimately be paid will certainly fall far short of this figure.

Belfast and District Society of Incorporated Accountants.

ANNUAL DINNER.

The attendance at the annual dinner of the Belfast and District Society of Incorporated Accountants and Auditors, which was held in Thompson's Restaurant on Friday, December 12th, was representative of the commercial, business and legal community, and indicated the cordial relations that exist between the Society and the citizens generally.

Mr. JAMES BAIRD, F.S.A.A., the newly-elected President of the District Society, was in the chair, and the principal guests were: Viscount Charlemont, V.L. (Minister of Education), Mr. John F. Gordon, M.P. (Parliamentary Secretary to the Ministry of Labour), Mr. W. R. Maconkey (Comptroller and Auditor-General, Northern Ireland), Senator A. Quigley, Mr. R. Scott, J.P. (Chairman, Belfast City and District Water Commissioners), Mr. R. Wilson Bartlett, J.P., F.S.A.A. (Member of Council), Mr. Robert Bell, F.S.A.A. (President of the Irish Branch of the Society of Incorporated Accountants and Auditors), Mr. A. H. Walkey, F.S.A.A. (Member of Council), Mr. E. E. Edwards (Assistant Parliamentary Secretary of the Society of Incorporated Accountants and Auditors), Mr. A. J. Walkey, F.S.A.A. (Secretary of the Irish Branch of the Society of Incorporated Accountants and Auditors), Mr. R. G. Henderson, F.C.A. (President of the Belfast Society of Chartered Accountants), Professor H. O. Meredith, O.B.E., M.A., M.Com., Professor F. T. Lloyd-Dodd, M.A., D.Sc., Mr. J. B. McCutcheon, Mr. Samuel Henry, Mr. H. G. Coulter (Inspector of Taxes, Belfast), Mr. J. S. Thompson (Inspector of Taxes, Belfast), Mr. C. S. Foulsham (Inspector of Taxes, Belfast), Mr. G. L. Turnbull (Inspector of Taxes, Belfast), Mr. H. J. Miles (Inspector of Taxes, Belfast), Mr. T. L. Blackburn (Inspector of Taxes, Belfast), Mr. W. D. Scott, C.B.E. (Secretary to Minister of Commerce), Mr. J. A. Glen (Private Secretary to the Minister of Education), Mr. G. H. Pollock (Secretary of Incorporated Law Society of Northern Ireland), Mr. W. R. Witham (Secretary of Belfast Chamber of Commerce), Mr. James Brown (President, Belfast Auctioneers' and Estate Agents' Institute), Mr. G. R. Bear, J.P., and Mr. H. C. Love, M.B.E.

Mr. JAMES BAIRD, proposing the toast of "The Government of Northern Ireland," said that Governments were passing through a very difficult time on account of the severe depression in all classes of business. This was not peculiar to their own country, as it was unfortunately the experience of everyone all over the world, but their own Government had held their own very well, and on the success of their efforts they congratulated them. There remained much to be done in every department of it, and it was only by continued effort on the part of their community, especially those engaged in commerce, that they could hope to see their affairs firmly placed on a solid foundation. Speaking for himself, it appeared to him that all of them were rather much inclined to blame the Government of the day for all their troubles, economic and social, but they must also remember that they could do a great deal for themselves, and it was by applying the principle of self-help that they could achieve much.

With regard to the department which Viscount Charlemont had the responsibility of directing, he was sorry to say there had been rather loose and, he would say, unworthy criticism of the expenditure under the heading of education. The recently erected schools were now a credit

to the country, and whether the expenditure incurred in erecting them was heavy or not, it was undoubtedly necessary, and he, for one, would say without hesitation it was the best possible investment they could have as a country. They would agree with him when he said that the aim of the Government should be that every child should, as far as possible, have an equal chance of being educated. They, in business, knew the value technical education had been to employers as well as employees, and speaking from an accountant's point of view, their Municipal College of Technology had thought fit, in his opinion wisely, to make provision for the training of accountants. Special classes for students were provided so that the students of the Society and also those of the Institute, reading for their Intermediate and Final examinations, could cover the whole course in the local College. Many of their articled clerks were also taking out their degree in Commercial Science at Queen's University. This could be done in two ways : They could attend the usual lectures at Queen's, or, if more convenient, they could attend corresponding lectures in the Municipal College. Several members who had already taken their Final examination subsequently qualified for the Bachelor of Commercial Science degree in connection with Queen's by attending evening classes.

Referring to the present state of trade, Mr. Baird said he viewed the past, the present and the future for some time at least as a period of adjustment, and until this had become a completed fact, they could not hope to see any marked improvement in local or world conditions. The present position of affairs demanded great sacrifices, and they had all had to make some sacrifice whether they were employer or employee. Employers had had to submit to considerable reductions in both capital and income, due to the change in values and the natural depreciation which followed. That might be a very painful process, but it was none the less healthy on that account, and if they could all be brought to realise quickly how necessary it was and recognise the need for the alteration in their position and make it at once, they would be able to commence recuperation. He contended, therefore, that if they would all come down to their proper level of spending they would get established on a sound basis, with the result that the whole commercial atmosphere would be purer financially.

During the past year there had been a fall of 17 per cent. in the wholesale price level. The great need of the present, therefore, was stability, and from the community point of view this was in the best interests of everybody. Traders and merchants of all sorts could not be expected to start buying until there was at least some stability shown in the price of commodities. Without definite signs of stabilisation in all markets, including the financial, there could be no confidence on the part of merchants. Another great need of the moment was a reduction in taxation. The severe drain that taxation was making on all was going to have a very damaging effect on future development of industries. His personal opinion was that the individual could do more good with the money than the Government, and in saying this he was not unmindful of the needs of the public exchequer. The more taxation the Government imposed, the more it spent in unproductive enterprises. The future would demand from all greater industry and efficiency, and he had every confidence that they in Northern Ireland could hope to procure a fair share of the business that would be passing, notwithstanding the changes that had taken place in all parts of the world.

Viscount CHARLEMONT, Minister of Education, in reply, thanked the Society and President for the honour they had

accorded him in inviting him to be present. As they were aware, there was a very close connection between education and accountancy, and he was delighted to hear their President, Mr. Baird, laying particular stress on the growing interest between their profession and the University. He was particularly glad to know that the Society was in favour of the entry of University graduates to the profession, and that encouragement was being given to them by reducing the period over which their articles extended from five years to three. He was not, of course, responsible for the work of the University, but he did welcome the growing connection between higher studies and the various professions which were connected with their commercial and industrial life.

They had all, he was sure, seen from time to time in the newspapers that the question of the employment of University men in the commercial world had been the subject of a good deal of discussion in England. He did not want to enter on that rather debatable matter, but he thought that it was commonly agreed that the professions which were ancillary to commerce—professions such as accountancy—should get the educational assistance and prestige which it was the business of a University to give.

The Municipal College of Technology was also assisting in the training of accountants. They were all proud of the work which the College was able to do, not only for the skilled manual trades, but also for professions such as theirs, and he felt that the high standard which it had achieved in the past would equally apply to the classes in accountancy.

Coming to a more junior stage in education, Lord Charlemont said he was pleased to know that the Society recognised the Secondary School Senior Certificate awarded by his Ministry, by exempting the holders from the Preliminary examination. Mr. Baird had told him that the Society preferred that students should have taken the Senior Certificate, rather than the Preliminary examination, and that was, he thought, as it should be. His Ministry was very anxious that pupils who intended to go on for the various professions should have fully completed their Secondary Course before leaving school. His own idea was that a full general education was the best preparation for any of the professions ; although the usefulness, for example, of a literary education might not be immediately apparent as a preparation for work such as accountancy, still they must remember that the well educated man was most likely to achieve the highest success in any calling which he might take up.

In a reference to trade depression, Lord Charlemont said people were now more than ever dependent on the ability and the integrity of a profession such as that of auditors and accountants, because it was they who were, perhaps, best able to speak with expert knowledge of the state of business, and also, no doubt, to suggest remedies. Mr. Baird had made some very pertinent remarks on the subject, and he felt sure that those who were responsible for the conduct of their commercial affairs would give his views a respectful hearing.

Mr. J. B. McCUTCHEON proposed the toast of "The Society of Incorporated Accountants and Auditors." It was in a spirit of gratitude, he said, that he proposed the toast, for it had been his good fortune that a substantial portion of his practice as a solicitor was conducted in consultation and in co-operation with members of the Society. He did not wish to appear presumptuous in speaking of the Society's zeal for its clients' interests, but his experience had been that every member was imbued with a very sincere desire to render justice where it was

due. He rather envied their profession. As he looked to the future of his own, viewed in the light of present-day legislation, he was a little afraid; but the future held nothing but brightness for accountancy. The whole trend of legislation was to make the accountant more and more a daily necessity, and to give him a more important part in the life of the community. It was necessary, therefore, that there should be such an organisation as the Incorporated Accountants' and Auditors' Society, which looked after everything relating to the profession. His experience had been fortunate, virtually all the accountants with whom he had had dealings having been members of one or other of the great societies, but it was a grave injustice to members who had entered by the proper door that anyone, lacking education, qualification, and experience, and without being trained in the standards of the profession, should be allowed to put up a brass plate and invite the unwary to become entangled in his net. He had great pleasure in wishing prosperity to the Society, and he hoped to see the day when there would be joint action between accountants and solicitors in the matter of legal reforms which were long overdue. If they could obtain a joint Parliamentary Committee he thought they would have made a move towards securing long delayed reforms.

Mr. R. WILSON BARTLETT, J.P., F.S.A.A., member of the Council of the Society, replying, thanked Mr. McCutcheon on behalf of the President (Mr. Henry Morgan) and the Council of the Parent Society for the delightful manner in which he had proposed the toast. Mr. Morgan, who had visited Belfast in February last, had, he said, entrusted him with three messages: (1) To express his deep regret at being unable—owing to important engagements in London—to visit Belfast again on the occasion of their annual dinner; (2) To congratulate warmly the Belfast Society on their work and splendid record during the past year; and (3) To extend his best wishes to their newly-elected President (Mr. James Baird) for a successful year of office. Mr. Morgan—as they were all aware—was a very busy man, with a large public practice in London, and it must be a great sacrifice on his part to give up the considerable amount of time now required to deal with the many matters brought before the Parent Council and its several Committees, and also keep in touch with all the District Societies which now covered every section of England, Scotland, Ireland and Wales, in addition to which urgent and serious matters were constantly arising from the Dominions and all quarters of the globe. The annual report of the District Society showed that there were now nearly 200 members and students, which was an increase of about 35 per cent. on the previous year. That was a sign of vigorous growth, and an extremely high testimony to the work of the Officers and local Committee, and in that regard he would particularly mention Mr. Fred Allen (immediate Past President) and Mr. McMillan, the Hon. Secretary. Their newly-elected President (Mr. James Baird) was well known at the Headquarters of the Society. He could mention several experiences he had had with Mr. Baird at various places, including his own city of Cardiff, but he would content himself with wishing him in the name of the President, the Parent Council, and on his own behalf, the best of health and strength to carry on the extra liabilities which he had now undertaken, and which he felt sure he would carry out to the complete satisfaction of all the members.

During the speeches which he had listened to he had been much impressed with the trade conditions which were now being experienced in Northern Ireland. In his own District of South Wales and Monmouthshire business

profits were at a very low ebb, including those from coal mining, iron and steel works, engineering, ship-repairing and agriculture, all of which were basic industries. As an accountant he was constantly being asked two questions: (1) What is the cause of all this bad trade and unemployment?; and (2) What is the remedy? The causes were many and varied, and, of course, some men thought business was bad, simply because they were suffering from bad luck. Enumerating remedies for the improvement of British industries, Mr. Bartlett advocated: Reduced expenditure by the National Government and all local authorities, especially on all non-revenue producing schemes. Removal of certain trade union rules which restrict output and prevent the best men from giving a fair day's work in return for a fair day's pay. Removal of the "cost of living" index figures as a basis for the settlement of salaries and wages, especially in protected industries. Removal of the anti-profit atmosphere, which made profits harder to procure, and less worth having, and damped down enterprise and multiplied unemployment. A five years' moratorium from legislation which imposes further restrictions and liabilities on commerce and industry. He also advocated an embargo against any foreign goods which were manufactured under unfair competition, and suggested the setting up of a permanent national commission, which, he said, could examine and advise whether any duty should or should not be placed on manufactured imports, for the purpose of safeguarding home industries. At present that appeared to be the plaything of the politicians, but it was a matter which, although extremely delicate and complicated, ought to be fully explored by business men free from political bias, party tactics, or those shibboleths which were in vogue some forty or fifty years ago. He suggested that a determined effort should be made over a period of, say, ten years to reduce the interest now paid on the outstanding 5 per cent. War Loan debt of 2,000 millions, which at present was such a tremendous charge against their annual budget, and which was now paid without deduction of British income tax, to the immense advantage of investors in foreign countries. He submitted that under a definite ten years' conversion scheme an issue could be made each year of 200 millions, commencing in the first year at 4½ per cent., the second year at 4½ per cent., the third year at 4½ per cent., and so on until the old pre-war rate of 3½ per cent. had been attained.

"Our Guests" was proposed by Mr. JOHN D. THOMPSON, F.S.A.A., Vice-President of the District Society, and acknowledged by Mr. H. G. COULTER, Inspector of Taxes, and Mr. R. G. HENDERSON, F.C.A., President of the Belfast Society of Chartered Accountants.

The annual South Wales and Monmouthshire District Chartered v. Incorporated Students' football match took place at Penarth on December 18th. After a very hard, clean-fought battle, the Incorporated Students ran out winners by three tries (9 points) to nil. The state of the ground prevented scientific football, but each side did remarkably well under such adverse conditions. Although the Incorporated forwards were the heavier pack, the strength of the side lay in its backs, each chance being taken and made full use of with marked regularity.

Society of Incorporated Accountants and Auditors.

RESULTS OF EXAMINATIONS, NOVEMBER, 1930.

Passed in Final.

Order of Merit.

DANDEKER, NARAYAN, B.Sc., Clerk to William F. A. Cooper, 68, Aldersgate Street, London, E.C.1. (*First Certificate of Merit.*)

FORSTER, GEORGE HENRY, County Accountant's Department, County Offices, Derby. (*Second Certificate of Merit.*)

Alphabetical Order.

ACKERLEY, ANNIE, Clerk to Hill & Chapman, 11-12, Station Buildings, Altringham.

ALLAN, ARCHIBALD LESLIE, Clerk to R. M. Branson (Thomas May & Co.), Allen House, Newarke Street, Leicester.

ALLEN, ERIC GEORGE, Clerk to Clothier, Watkins & Riddell, 7, The Square, Shrewsbury.

ANNISS, FRANK, Clerk to Maurice Thompson, 30, Mark Lane, London, E.C.3.

BARKER, ARTHUR JAMES THOMAS, Audit Department, Ministry of Health (South-Western Area), 117, Lansdowne Road, Worcester.

BARTON, NORMAN RICHARD, Clerk to H. R. Evans, 17, George Street, St. Helens, Lancs.

BEAL, EDWARD, Clerk to Porter, Matthews & Marsden, 43, Preston New Road, Blackburn.

BENNETT, ERIC KENNETH, Clerk to W. S. Hill Roberts, Temple Chambers, 65, Lichfield Street, Wolverhampton.

BENNETT, REGINALD EDWARD, Clerk to Walter Saunders (Saunders, Daffarn & Saunders), Gresham College, Basinghall Street, London, E.C.2.

BENSON, HENRY EDWARD, Clerk to T. Tattersall, Borough Treasurer, Town Hall, Chelsea, London, S.W.3.

BINLESS, WILLIAM, Clerk to R. O. Griffith, 44, Cannon Street, Preston.

BLACKBURN, ALBERT, Clerk to Walter Hunter, Bartlett & Co., 24, Bridge Street, Newport, Mon.

BLYTH, JOHN SAMUEL, Clerk to Hoale, Smith & Field, 4, Broad Street Place, London, E.C.2.

BRIAR, MAURICE WALTON, Clerk to Binder, Hamlyn & Co., River Plate House, 12 and 13, South Place, London, E.C.2.

BRIGHT, FREDERICK WILLIAM, Clerk to Bernard T. S. Bagnall, 43, Chancery Lane, London, W.C.2.

BROWN, JOHN HERBERT, Clerk to F. S. Rowland, 90, Pilgrim Street, Newcastle-on-Tyne.

BUTCHART, THOMAS, Clerk to Wm. Home, Cook & Co., 42, North Castle Street, Edinburgh.

CAULFIELD, JAMES AUGUSTINE, Clerk to Kevans & Son, 31, Dame Street, Dublin.

CHARRINGTON, HARRY, Clerk to Alban & Lamb, Central Chambers, Newport, Mon.

COLE, ERIC ALFRED CLEMENTS, Clerk to Peat, Marwick, Mitchell & Co., 11, Ironmonger Lane, Cheapside, London, E.C.2.

COLE, JAMES PASLEY PARMITER, Clerk to A. E. Woodington (Woodington, Bubb & Co.), 5, Philpot Lane, London, E.C.3.

COOKE, JOHN WILFRED, Clerk to John Moffitt, City Treasurer, Guildhall, Portsmouth.

CORNFORD, MAURICE KENTON, Clerk to Singleton, Fabian & Co., 8, Staple Inn, Holborn, London, W.C.1.

CRAWFORD, EMILY, Clerk to Roy Kendall, Park Square Chambers, Leeds.

DALBY, ALEC PETTMAN, Clerk to E. M. Lomax (Lomax, Clements, Gladstone & Co.), 12-13, Newgate Street, London, E.C.1.

DALBY, WILLIAM SHIELD, Clerk to Newby, Dove & Rhodes, 10, Grey Friars, Leicester.

DALEY, JAMES MAURICE, Clerk to Broomfield & Alexander, 81, High Street, Newport, Mon.

DAVAR, MINU SAVAKSHAH, Clerk to Fred P. Barnes (Pix & Barnes), 24, Coleman Street, London, E.C.2.

DAVIES, HARRY NAYLOR, Clerk to James Todd, Adams & Wilcock, 30-31, Old Bank Buildings, Chester.

DONALD, ARTHUR JAMES, Clerk to R. K. Crane (Crane, Houghton & Crane), 30A and 31, St. Paul's Churchyard, London, E.C.4.

DRAY, WILFRED GEORGE, Clerk to Temple, Gothard & Co., 7-8, Norfolk Street, Strand, London, W.C.2.

DUNKERLEY, NORMAN, Accountant, Whitby Urban District Council, Council Offices, Flowergate, Whitby.

EBBAGE, ROBERT, formerly clerk to Clarke & Eckersley, 20, Mount Street, Manchester.

FERARIO, WILLIAM, Clerk to Greenhalgh, Sharp & Co., 30, Brown Street, Manchester.

FINK, HARRY, formerly Clerk to H. Rainsbury & Co., 65-66, Basinghall Street, London, E.C.2.

FLAXMAN, ERNEST WILLIAM, Clerk to Gibson, Harris, Prince & Co., Palmerston House, Old Broad Street, London, E.C.2.

FLEMING, NORMAN CARR RICHMOND, Clerk to Charles E. Dolby & Son, May Buildings, 51, North John Street, Liverpool.

FULLER, IDA ELIZABETH, Public Trustee Office, Kingsway, London, W.C.2.

GAGG, CYRIL JOHN, Clerk to B. M. Patton (Edward Judson Mills & Co.), 32, Fleet Street, Torquay.

GIBBS, LESLIE WALTER, Clerk to Croydon & King, 7, Grosvenor Gardens, London, S.W.1.

GRAHAM, BURTON HOOD, Clerk to W. T. Walton & Son, 3, Scarbro' Street, West Hartlepool.

GREELEY, JOHN JOSEPH, Clerk to W. E. Storr (Crowe, Storr & Co.), Central Chambers, Manor Square, Otley, Yorks.

GRIFFITHS, BERNARD BINSTEAD, Clerk to A. H. Hall (Stanley, Blythen & Co.), Victoria Chambers, Long Eaton.

HALE, ERIC JOHN, Clerk to William Morris (William Morris & Sons), Lombard House, Little Britain, London, E.C.1.

HALLAM, RICHARD HENRY, Clerk to C. T. Stephens (William Clark & Stephens), Westgate Chambers, Newport, Mon.

HARGRAVES, ARNOLD STANLEY, Clerk to P. & J. Kevan, 12, Acresfield, Bolton.

HARRINGTON, THOMAS, Clerk to Hill, Vellacott & Co., Finsbury Circus House, Blomfield Street, London, E.C.2.

HARRIS, FRANK JOHN, Clerk to J. Pearson Griffiths, 10, Clarence Place, Docks, Cardiff.

HARRIS, LESLIE GEORGE, formerly Clerk to Allnutt, Bradfield & Co., 17-18, Basinghall Street, London, E.C.2.

HART, REGINALD FRANK LUCAS, Clerk to L. Gerard Norton (Martin, Farlow & Co.), 34-36, Gresham Street, London, E.C.2.

HAYWARD, DENNIS, Clerk to William A. J. Ling, 3-4, Great Winchester Street, London, E.C.2.

HEADLAND, LEONARD THOMAS PAGER, Clerk to D. F. Lumley (Geo. W. Spencer & Co.), 10, Bush Lane, Cannon Street, London, E.C.4.

FINAL—(Continued.)

- HILL, ALAN FREDERICK, Clerk to Fredk. Shaw (F. Shaw & Co.), 46, Gresham Street, London, E.C.2.
- HILLIAN, EDWARD VINCENT, Clerk to Charles Magee, 1, Wellington Place, Belfast.
- HODGE, WALTER ALFRED, Clerk to H. Hodge (Hodge & Baxter), National Provincial Chambers, High Street, Kettering.
- HODGES, REGINALD, Clerk to Peat, Marwick, Mitchell & Co., 20, rue Louis-le-Grand, Paris.
- HODGKINSON, SIDNEY GEORGE, Clerk to Saffery, Sons & Co., 14, Old Jewry Chambers, London, E.C.2.
- HOLT, TOM CHADWICK, Clerk to Hindle & Jepson, 18, Railway Road, Darwen.
- HYLAND, EUGENE PHILIP, Clerk to F. E. Anderson & Co., 20, Bedford Row, London, W.C.1.
- JOHNSON, HARRY, Clerk to Paton, Boyce & Welch, 3, Piccadilly, Bradford.
- JOHNSON, IVOR, Clerk to A. H. Hughes (Hughes & Allen), King's House, 36-37, King Street, London, E.C.2.
- JONES, ALWYN HUGHES, Clerk to J. Lloyd-Roberts, The Public Audit Offices, 2, Church Street, Carnarvon.
- KAY, THOMAS, Clerk to Porter, Matthews & Marsden, 43, Preston New Road, Blackburn.
- KELLY, NORMAN, Clerk to Davidson, Cookson, & Co., 6, Castle Street, Liverpool.
- KELSEY, GEORGE HOUGHT, Clerk to John Nicholson, 185, High Street, Lincoln.
- KIRKHAM, WILLIAM, Clerk to Camm, Metcalfe & Co., Town Hall Chambers, Fargate, Sheffield.
- KUMANA, BHIAJI EDULJI, B.Com., Clerk to S. B. Billimoria & Co., 118, Esplanade Road, Bombay.
- LITTLE, EDWARD STANLEY, Clerk to R. Simpson Duthie (R. Simpson Duthie & Co.), 9, Devonshire Street, Carlisle.
- LONGLEY, STANLEY ERNEST, Borough Treasurer's Department, Deptford Town Hall, New Cross, London, S.E.14.
- LOWNDS, ERIC JOHN WALTER, Borough Treasurer's Department, Town Hall, Ealing, London, W.5.
- LUBBOCK, HENRY WEBSTER RONALD, City Treasurer's Department, The Guildhall, Portsmouth.
- LYONS, WILLIAM MARSTON, Clerk to H. H. Bobart (Bobart, Baskett & Co.), Gresham College, Basinghall Street, London, E.C.2.
- MCGRAITH, HAROLD WILLIAM, Clerk to Layton-Bennett, Chiene & Tait, 3, London Wall Buildings, London, E.C.2.
- MADDOK, JOHN, Clerk to Fred Moss (Moss & Williamson), Market Place, Ashton-under-Lyne.
- MAGEE, JOSEPH, Clerk to Muir & Addy, 7, Donegall Square West, Belfast.
- MARSHALL, HUBERT WILLIAM, Clerk to Carnaby, Harrower, Barham & Co., 13, High Street, Guernsey.
- MARSHALL, JAMES MAURICE, Clerk to John Moffitt, City Treasurer and Accountant, The Guildhall, Portsmouth.
- MARTIN, LEONARD FRANK, Clerk to J. Dix Lewis, Caesar & Co., Kennan's House, Crown Court, Cheapside, London, E.C.2.
- MASTER, NARIMAN FAKIRJI, formerly Clerk to Pix & Barnes, 24, Coleman Street, London, E.C.2.
- MORGAN, ALBERT HAROLD, Clerk to Ernest C. Morgan, Crown Chambers, Newtown, Mont.
- MORTIMER, LESLIE, Clerk to Auker, Horsfield & Co., 21, Forster Square, Bradford.
- NAVDER, DARASHA NUSSERWANJI, B.Com., formerly Clerk to Navroz A. Davar & Co., 235, Hornby Road, Fort, Bombay.
- NUTTALL, CYRIL, Clerk to C. D. Harrison (John Potter & Harrison), 22, Birley Street, Blackpool, Lancs.
- O'BRIEN, THOMAS HENRY, Junr., Clerk to J. Owen Shepherd (Louis Nicholas & Co.), 19, Castle Street, Liverpool.
- OLLIFFE, ERNEST GEORGE, Clerk to W. G. Olliffe, 8, Bush Lane, Cannon Street, London, E.C.4.
- PALLISTER, ARTHUR ROY, Clerk to M. H. Groves (W. T. Walton & Son), 3, Scarbro' Street, West Hartlepool.
- PALMER, CLIFFORD CHARLES, Clerk to A. E. Warner (Horace Fruin, Warner & Co.), 60, Head Street, Colchester.
- PEARSON, REGINALD, Clerk to Whitehead & Howarth, Montauban Chambers, Lytham-St.-Annes.
- PELL, FRANK, Clerk to Henry Pell, 63A, Prince's Street, Stockport.
- PERKINS, ERNEST LEWIS BANBURY, Clerk to Deloitte, Plender, Griffiths & Co., 5, London Wall Buildings, London, E.C.2.
- PETTIT, CYRIL HENRY, Clerk to L. Benbow (Benbow & Airs), 2A, Sheep Street, Northampton.
- PICKNELL, VICTOR WILLIAM EDWARD, Borough Treasurer's Department, Town Hall, Eastbourne.
- PLATEL, FRANCIS VITTERY, Clerk to Arthur Hallett (Arthur Hallett, Harrison & Co.), 8, St. Mary's Street, Shrewsbury.
- POW, FREDERICK CHARLES ERNEST EDWARD, Clerk to Hilton, Sharp & Clarke, 14, Gray's Inn Square, London, W.C.1.
- PURCELL, FREDERICK MORRIS, formerly Clerk to F. Rowland & Co., 76, Finsbury Pavement, London, E.C.2.
- RATHJEN, JOHN STEWART CARMICHAEL, Clerk to Price, Waterhouse & Co., 3, Frederick's Place, Old Jewry, London, E.C.2.
- RAYBONE, HARRY FAULKNER, Clerk to W. Vincent Vale (W. Vincent Vale & Co.), 20, Queen Street, Wolverhampton.
- READ, WILFRED ALAN, Clerk to G. W. Wheeler & Co., Cathedral House, Paternoster Row, London, E.C.4.
- RENOVIZE, JACK, Clerk to Graham W. Burgess (Henry J. Burgess & Co.), 14, St. Mary Axe, Leadenhall Street, London, E.C.3.
- RIVETT, FRANK HAROLD, Clerk to Martin & Acock, 69, London Street, Norwich.
- ROBINS, KENNETH COURTICE, Clerk to John H. Chown, Lloyds Bank Chambers, Penzance.
- ROBINSON, HERBERT ALEXANDER, Clerk to William Chadwick & Co., 8A, Lord Street, Liverpool.
- RUSSELL, WILLIAM GEORGE AINGE, Clerk to Newman, Biggs & Co., 138, Edmund Street, Birmingham.
- SAMBAMURTI, MELAKKAVERI NATESA IYER, B.A., formerly Clerk to M. K. Dandeker, 8, Sankuram Chetty Street, Madras.
- SCUTT, GEORGE ARTHUR, H.M. Inspector of Taxes, 1st District, 24, Clifton Street, Blackpool.
- SELBY, CLARENCE PRICE, Clerk to Stephenson, Smart & Co., 81, High Street, Scunthorpe, Lincs.
- SHAW, OLIVER JOHN, Clerk to W. D. Garbutt, Judges' Court, Coney Street, York.
- SHINDLER, ISUMER HARRY, Clerk to William A. J. Ling, 3-4, Great Winchester Street, London, E.C.2.
- SLY, THOMAS WILLIAM, Clerk to Arthur G. Mortimer, 48, Chancery Lane, London, W.C.2.
- SMITH, HAROLD LOUIS POTTIER, Clerk to G. O. Parsons (P. D. Leake & Co.), 25, Abchurch Lane, London, E.C.4.

FINAL—(Continued.)

SMITH, THOMAS WILLIAM EWART, Clerk to S. S. Sara (J. W. B. Brown, Sara & Co.), Prudential Buildings, Corporation Street, Birmingham.

SQUIRE, GLYN MELBOURNE, Clerk to Ashmole, Edwards & Goskar, Cornhill Chambers, Christina Street, Swansea.

STOBBS, ALEXANDER WILLIAM, Clerk to Price, Waterhouse & Co., 31, Mosley Street, Newcastle-on-Tyne.

SUDELL, HAROLD, Clerk to P. D. J. Clarkson (Clarke, Clarkson & Howarth), 14, Winckley Square, Preston.

SUNDARARAJAM, MANDYAM VEERAMDI, B.A., formerly Clerk to K. S. Aiyar (K. S. Aiyar & Co.), 65, Apollo Street, Bombay.

THOMAS, WALTER PERCY, Clerk to W. O. Mayhew (Mayhew & Lawley), 62, Oxford Street, London, W.1.

TRAPP, NORMAN HENRY, formerly Clerk to W. C. Tuke, 38, Walbrook, London, E.C.4.

TRUSCOTT, THOMAS OLVER, Clerk to John H. Chown, Lloyds Bank Chambers, Penzance.

TURTON, GEORGE WILLIAM, Clerk to Leman, Hill & Hilton, 1, St. Peter's Church Walk, Nottingham.

TYERS, GEORGE ARTHUR, Clerk to W. Johnstone (Johnstone, Davies & Moulder), 13, Church Street, Kidderminster.

VAN HAM, ERNEST, City Treasurer's Office, Town Hall, Newcastle-on-Tyne.

VAUGHAN, ROLAND, Clerk to F. R. Lonsdale, 30, Willow Street, Accrington.

WALSH, JAMES, Clerk to Alex Wright (Wright, Fairbrother & Steel), 34-36, Gresham Street, E.C.2.

WARREN, FREDERICK, Clerk to Peat, Marwick, Mitchell & Co., 11A, Chapel Street, Camborne, Cornwall.

WATKINS, GEORGE ERNEST, City Treasurer's Office, Exchange Buildings, Cheapside, Nottingham.

WATSON, ALEC JOHN HORACE, Clerk to Herbert Townsend, 16, Weston Park, Crouch End, London, N.8.

WEEKS, ARTHUR HENRY, Bank Buildings, 40A, Woodgrange Road, Forest Gate, London, E.7, Practising Accountant.

WELCH, LEONARD HARRY, Clerk to E. T. Kemp, 27, London Road, Southampton.

WHITE, GEORGE VICTOR, Clerk to Saunders, Daffarn & Saunders, Gresham College, Basinghall Street, London, E.C.2.

WHITELEY, GEORGE FIRTH, Clerk to E. V. Williamson, Greek Street Chambers, Greek Street, Leeds.

WHITELEY, WILLIAM, Clerk to Squires & Co., King's Court, 115, Colmore Row, Birmingham.

WILLIAMS, DONALD FREEKE, Clerk to J. Wallace Williams & Co., 5, St. Andrew's Crescent, Cardiff.

WOOD, WALTER WILLIAM, Clerk to J. N. Godkin (Herbert Godkin & Co.), Priory Chambers, St. Martin's, Leicester.

WOODS, EDWARD ALBERT, Clerk to F. Kilby (Kilby & Fox), Drury Chambers, Market Square, Northampton.

WRIGHT, ARTHUR LESLIE, Clerk to Edward Clough, Bank Chambers, North Parade, Bradford.

YUSUFUDDIN, MOHAMED, B.A., formerly Clerk to Damania Panday & Bajan, Petit Buildings, 359, Hornby Road, Fort, Bombay.

SUMMARY :—**2 Candidates awarded Honours.****136 Candidates passed.****147 Candidates failed.****285 Total.****Passed in Intermediate.****Order of Merit.**

MANNING, HERBERT ARTHUR, Clerk to Mellors, Basden & Co., Portland House, 73, Basinghall Street, London, E.C.2. (*First Place Certificate and First Prize.*)

CLIFFE, NOEL, Clerk to Ernest Holbrook (Ernest Holbrook & Co.), 24-25, Western Mail Chambers, Cardiff. (*Second Place Certificate and Second Prize.*)

COLE, HERBERT JOHN, Clerk to Hodgson, Harris & Co., Bank Chambers, Parliament Street, Hull. (*Third Place Certificate.*)

EWART, JOHN, 8, Queen Street, Cardiff, Practising Accountant. (*Fourth Place Certificate.*)

JACKSON, HAROLD MAITLAND, Clerk to Charles Dornton, Duff & Co., Norwich Union Chambers, High Street, Chelmsford. (*Fifth Place Certificate.*)

TOTTLE, ALBERT JAMES ROWLAND GARDNER, Clerk to Clarke, Dovey & Co., 5, Fisher Street, Swansea. (*Sixth Place Certificate.*)

MATTHEWS, RAYMOND WALTER, Clerk to Hodgson, Harris & Co., Bank Chambers, Parliament Street, Hull. (*Seventh Place Certificate.*)

Alphabetical Order.

ABBOTT, KEITH ALEXANDER, Clerk to E. J. Waldron (Woolley & Waldron), Blue Peter House, 8-10, Portland Terrace, Southampton.

ADIE, DAVID NORMAN, Accountant's Department, Durham County Council, Shire Hall, Durham.

AHEARNE, ANTHONY THOMAS, Clerk to W. A. Deevy (W. A. Deevy & Co.), 29, Barronstrand Street, Waterford, I.F.S.

AINSWORTH, JOHN CECIL, Clerk to Alan Barwick (Clarkson & Barwick), Lloyds Bank Chambers, Keswick, Cumberland.

ALLEN, LEONARD FREDERICK, Accountant's Department, Metropolitan Water Board, 173, Rosebery Avenue, London, E.C.1.

ARMES, CYRIL PATRICK, Clerk to Black, Geoghegan & Till, Orient House, 21, Budge Row, London, E.C.4.

ASHILL, MAURICE COMBER, Clerk to William L. Flemington, 326, Coldharbour Lane, Brixton, London, S.W.9.

AUSTIN, WALTER DAWSON, Clerk to F. Coward & Co., Wharncliffe House, 44, Bank Street, Sheffield.

AYRE, JOHN THOMAS, Clerk to Greaves & Co., Prudential Chambers, Bank Street, Carlisle.

BAKER, CHARLES VIVIAN, Accountant's Department, Heston and Isleworth Urban District Council, Council House, Hounslow.

BAKER, ERIC (B. Baker & Co.), Lichfield Chambers, 1, Leicester Street, Walsall, Practising Accountant.

BARLOW, SYDNEY, Audit Department, Co-operative Wholesale Society, Limited, 111, Corporation Street, Manchester.

BEARDSMORE, ERNEST FRANK, Clerk to F. Cripwell (Corfield & Cripwell), 12, Cherry Street, Birmingham.

BENNETT, JAMES, Clerk to C. W. Legge (Clinch & Legge), Hurdis House, Broad Street, Seaford, Sussex.

BENSON, GEORGE NORMAN, Clerk to M. Wasley Chapman, Pearson & Co., Golden Lion Chambers, Whitby.

BIRDSELL, HAROLD, Clerk to Armitage & Norton, Atlas Chambers, King Street, Leeds.

BOWGEN, NELLIE ELIZABETH, Clerk to Ethel Watts (E. Watts & Co.), 77, Chandos House, Palmer Street, London, S.W.1.

BRAHMAYYA, PARVATANENI, B.A., Clerk to G. E. Stringer, 15-16, Thavies Inn, Holborn Circus, London, E.C.1.

BROADBENT, RONALD WILLIAM PERCY, Clerk to Armitage & Norton, Station Street, Huddersfield.

INTERMEDIATE—(Continued.)

- BROOKES, BRADBURY HOLLOWOOD, Clerk to E. E. Groome (Groome & Ramsdale), 4, Norfolk Street, Manchester.
- BURSTOW, HENRY ERNEST, Clerk to T. H. Waterhouse, 51, Devonshire Road, Bexhill-on-Sea.
- BUSSELL, GEORGE WILLIAM, Clerk to W. Norman Bubb (Woodington, Bubb & Co.), 5, Philpot Lane, London, E.C.3.
- BUSTIN, REGINALD THOMAS, Clerk to L. Jordan (Keens, Shay, Keens & Co.), 87, High Street, Bedford.
- CALVERLEY, VICTOR AUGUSTUS, Clerk to A. S. Robins, 42, Essex Street, Strand, London, W.C.2.
- CAMPBELL, ALAN BURNETT, Clerk to John Gray (Percy Mason & Co.), 64, Gresham Street, London, E.C.2.
- CAWTHRA, SIDNEY STEAD, Clerk to F. Ogden Whiteley, City Treasurer, Town Hall, Bradford.
- CHAPMAN, FRANCIS MAYO, Clerk to Alfred G. Deacon & Co., 13, St. Ann Street, Manchester.
- CHATTOPADHYAYA, DEBI PROSANNA, B.A., Clerk to H. Lomax (H. Lomax & Co.), 83, Bridge Street, Manchester.
- CHIA, GHEE CHUAN, Clerk to F. Alan Simpson (Wallis, Guyas & Simpson), 20, Bridge Street, Bristol.
- CHITTS, MERVYN HUGH GORDON, New Oxford House, Hart Street, London, W.C.1, Practising Accountant.
- CLAREY, ARTHUR WILFRED, Clerk to E. H. Pope, 167, Strand, London, W.C.2.
- CLEGG, JOHN HEMINGWAY, Clerk to T. G. N. Hollings, 79, Albion Street, Leeds.
- COLLINGE, WILLIAM HENRY, Clerk to Bertram Silcock & Co., 31, Bold Street, Warrington.
- CONDY, STEPHEN CHARLES, Clerk to Edgar C. Condy (E. C. Condy & Co.), 15, Princes Square, Plymouth.
- CONNOR, KENNETH FREDERICK, Clerk to Deloitte, Plender, Griffiths & Co., 5, London Wall Buildings, London, E.C.2.
- COOKNELL, JAMES WASTLE, Clerk to M. B. Crompton, 10, Warwick Row, Coventry.
- COOMARASWAMY, SARAVANAMUTTU, B.Sc., Clerk to H. A. R. J. Wilson (Wilson, Bigg & Co.), 28A, Basinghall Street, London, E.C.2.
- COWLEY, THOMAS RONALD, Clerk to B. Sugden, St. George's Chambers, Athol Street, Douglas, Isle of Man.
- CHIPPIN, ALAN, Clerk to Walter Baird (Walter Baird & Co.), Blossoms Chambers, Foregate Street, Chester.
- CROOKENDEN, WILLIAM EDWIN, Accountant's Department, Metropolitan Water Board 173, Rosebery Avenue, London, E.C.1.
- DARBY, SIDNEY JOHN, Clerk to Graham W. Burgess (Henry J. Burgess & Co.), 14, St. Mary Axe, London, E.C.3.
- DAWSON, EDWARD CHARLES, Clerk to T. H. Swallow & Co. 28, Basinghall Street, London, E.C.2.
- DENNING, ARTHUR, Clerk to Ware, Ward & Co., 21, Cathedral Yard, Exeter.
- DIXON, FRANK, Clerk to E. Clough, Masonic Buildings, Cooke Street, Keighley.
- DOWNHAM, ERNEST CLIFFORD, Clerk to F. R. Lonsdale, 30, Willow Street, Accrington, Lancs.
- DRISCOLL, WILFRED JAMES, Clerk to Whinney, Smith & Whinney, 4B, Frederick's Place, London, E.C.2.
- EDWARDS, FRANK HUNTER, Clerk to R. M. Chapman (Donald H. Bates & Co.), 10, Cheapside, Hanley, Stoke-on-Trent.
- EDWARDS, THOMAS LEONARD, Clerk to Walter Baird & Co., Blossoms Chambers, Foregate Street, Chester.
- EVISON, GEORGE ALAN, Clerk to G. N. Sinclair (Garner, Pugh & Sinclair), Prudential Chambers, Oswestry.
- FAIRCLOUGH, FREDERICK CHARLES, Clerk to Holmes & Turner, Arcade Chambers, Wigan.
- FIELDEN, HERBERT SKELTON, County Accountant's Department, Bucks County Council, County Offices, Aylesbury.
- FLINT, RALPH GORDON, Clerk to R. C. Larking (Larking, Larking & Whiting), Bridge Buildings, Nene Quay, Wisbech.
- FOX, REGINALD HERBERT, Clerk to A. Clifford Towers (F. Roberts & Co.), 15, Guildhall Road, Northampton.
- FRASER, FRANCIS JAMES, Clerk to H. A. Merchant (H. A. Merchant & Co.), 48, Uxbridge Road, Ealing, London, W.5.
- FRICKER, REGINALD ARTHUR, Clerk to Macnair, Mason, Evans & Co., 3, London Wall Buildings, London, E.C.2.
- GAY, WILLIAM THOMAS, Clerk to T. Harold Platts (T. Harold Platts & Co.), 126, Colmore Row, Birmingham.
- GODDARD, MERVYN WILTON GEORGE, County Accountant's Department, Bucks County Council, County Offices, Aylesbury.
- GOULD, ERNEST, Clerk to Baxter, Bennett, Bowyer & Co., Bath House, 57-60, Holborn Viaduct, London, E.C.1.
- GRIMES, PERCY ROBERT, Clerk to Clemons, Midgley & Co., 52, Bedford Row, London, W.C.1.
- GRIST, NORMAN FREDERICK, Clerk to Leonard Dudbridge (S. J. Dudbridge & Sons), 8, Lansdown, Stroud.
- HALPENNY, JOHN WILLIAM, Clerk to J. M. Fitzgerald (Kevans & Son), 31, Dame Street, Dublin.
- HANKINSON, ROLAND CORRY, Borough Treasurer's Department, Municipal Offices, Haslingden.
- HARDIE, REGINALD, Clerk to Parkinson, Mather & Co., 5, Clarence Street, Manchester.
- HARE, SYDNEY CHARLES, Clerk to Booth, Anderson & Co., 40-43, Norfolk Street, Strand, London, W.C.2.
- HARGREAVES, CHARLES JAMES, Clerk to W. T. Butterfield, 9, Market Street, Bradford.
- HART, JOHN NORMAN, Clerk to Allen, Edwards & Co., 5, Lower Temple Street, Birmingham.
- HARTLEY, WILLIAM THORNES, Clerk to H. Stephenson, 24, Balcony, Corn Exchange, Leeds.
- HARVEY, HORACE FREDERICK WILLIAM, Accountant's Department, Essex County Council, County Offices, Chelmsford.
- HASLAM, EDWIN, Clerk to Broderick, Boardman & Co., 71-75, Bradshawgate, Leigh, Lancs.
- HAYDON, GEORGE FREDERICK, Clerk to C. H. Temple (Temple, Gothard & Co.), 7-8, Norfolk Street, Strand, London, W.C.2.
- HEATHORN, NORMAN LEE, Clerk to W. H. Grainger, 5, Staple Inn, Holborn, London, E.C.1.
- HELME, JOHN, Clerk to R. T. McCutcheon, 113, St. Vincent Street, Glasgow.
- HESKETH, JAMES HENRY, Clerk to Robert Hollows, 33A, King Street, Wigan.
- HEWETT, PERCIVAL CHARLES, Clerk to Jeffreys, Hogg, Henry & Marks, 10, Coleman Street, London, E.C.2.
- HILL, DONALD BURNETT, Clerk to R. G. Storey, Oxford Chambers, St. Stephen's Street, Bristol.
- HILL, ROLAND DRUMMOND, Clerk to Willett, Son & Garner, 1, Cooper Street, Manchester.
- HOFMANN, WALTER SIDNEY, Clerk to Herbert Townsend, 16, Weston Park, Crouch End, London, N.8.
- HOPKINS, FREDERICK ROBERT, Clerk to Blakemore, Elgar & Co., 9, King's Bench Walk, Temple, London, E.C.4.

INTERMEDIATE—(Continued.)

- HUMPHREY, RONALD PEROTT, Clerk to Amy Banks (George Graden & Co.), 43, Gower Street, London, W.C.1.
- HURT, HAROLD, Clerk to Boaler & Flint, Bromley House, Angel Row, Nottingham.
- HUTCHINSON, EDWARD GUY, Audit Department, Co-operative Wholesale Society, Limited, 84, Westmorland Road, Newcastle-on-Tyne.
- HUTCHINSON, JOHN, Clerk to Greaves & Co., 2, St. Nicholas Buildings, Newcastle-on-Tyne.
- JENKINS, RICHARD, Clerk to H. Slater (H. Slater & Sons), 5, St. Andrew's Street, Cambridge.
- JONES, CYRIL THOMAS, Clerk to Cozens, Bate & Co., Carlton Chambers, Baldwin Street, Bristol.
- JONES, ERNEST JAMES, Clerk to Butterworth & Bell, 27, Cornhill, Bridgwater.
- JONES, ORVILLE LYNDON HOWELL, Clerk to G. Glanville Mullens, 49, Station Road, Port Talbot.
- KEIGHLEY, CLIFFORD, Clerk to Louis Nicholas & Co., 19, Castle Street, Liverpool.
- KELLY, SIDNEY JAMES, Clerk to Thornton & Thornton, 3-4, King Edward Street, Oxford.
- KEMP, JOHN PHILIP, Clerk to N. B. Hart (Stephenson, Smart & Co.), Barclays Bank Chambers, 81, High Street, Scunthorpe, Lincs.
- KENYON, FLETCHER, Clerk to F. T. Kenyon, Midland Bank Chambers, Penrith.
- KEWISH, HAROLD, Clerk to Thomas Latham (Latham & Taylor), 23, Market Place, Wigan.
- KIDNEY, ROBERT ANTHONY, Clerk to Robert J. Kidney, 12-14, College Green, Dublin.
- KIRKBY, HORACE, Clerk to H. Mitchell Firth, Market Street Chambers, Bradford.
- KNOX, EDWARD WELBURN, Clerk to R. H. Seeger, 32, North Parade, Bradford.
- LAUGHEY, ALBERT FRANCIS, Clerk to S. E. Crowe, Central Chambers, Manor Square, Otley.
- LAWRENCE, HOWARD GEORGE, Clerk to R. H. Munro (R. H. Munro & Co.), 37, Queen Victoria Street, London, E.C.4.
- LEAPER, GEORGE WILLIAM, Clerk to Woolley & Waldron, Blue Peter House, 8-10, Portland Terrace, Southampton.
- LEISHMAN, JOHN, Clerk to A. C. Clark, Treasurer, County Education Offices, 16, Glasgow Road, Paisley.
- LEWIS, HENRY CHARLES MAPLE, Clerk to J. V. Couzens, 86, Fratton Road, Portsmouth.
- LUCAS, JOHN WYCLIFFE, Clerk to Percy W. Lawrie, 41, Belvoir Street, Leicester.
- MCKBRIDE, ANTHONY WILLIAM, Clerk to H. M. Styler (Styler, Fray & Whittington), 1, Dickinson Street, Manchester.
- MCKENNA, EDWARD HAROLD, Clerk to Alfred Nixon (Alfred Nixon, Son & Turner), 31, Victoria Buildings, St. Mary's Gate, Manchester.
- MACPHAIL, WILLIAM LAURENCE, Clerk to J. E. Chadwick (Wm. Chadwick & Sons), 6, Hamnett Street, Hyde.
- MANGHIRMALANI, SHAMDAS UDHARAM, B.A., Clerk to Dalal & Shah, 70, Medows Street, Fort, Bombay.
- MANNELL, FREDERICK WILLIAM, City Treasurer's Department, The Guildhall, Portsmouth.
- MARSHALL, WILLIAM ARTHUR, Clerk to Appleby & Wood, 40, Deansgate Arcade, Manchester.
- MAYNARD, HORACE ALFRED GEORGE, Clerk to B. de V. Hardecastle (B. de V. Hardecastle, Burton & Co.), Coventry House, South Place, Moorgate, London, E.C.2.
- MITCHELL, LINDEN EWART, City Treasurer and Controller's Office, City Hall, Cardiff.
- MOORE, HERBERT ERNEST, Clerk to Cooper, Cozens & Co., 8, East Stockwell Street, Colchester, Essex.
- MORETON, JOHN, Clerk to Ashworth, Mosley & Co., Lombard Chambers, 46, Brown Street, Manchester.
- MONTER, ERNEST WALTER, Treasury Solicitor's Department, Storeys Gate, St. James's Park, London, S.W.1.
- OLSON, ERNEST JOHN, Clerk to W. E. Fitzhugh (Fitzhugh, Tillett & Co.), Finsbury Pavement House, 120, Moorgate, London, E.C.2.
- OXLEY, ERNEST, Clerk to W. H. Shaw & Sons, 56, Westgate, Wakefield, Yorks.
- PAIN, CYRIL, Clerk to C. C. Lyon (Edward Blinkhorn, Lyon & Co.), 69, Leadenhall Street, London, E.C.3.
- PARKER, EDWARD NOEL, Clerk to Albert E. Stringer, 31, Manor Row, Bradford.
- PATEL, RAVINDRANATH AMBALAI, Clerk to A. France (A. France & Co.), West Bar Chambers, Boar Lane, Leeds.
- PERERA, TUDOR VINCENT, Treasurer's Department, Municipal Council of Colombo, Ceylon.
- PHOENIX, HARRY HIRAM, Clerk to R. O. Griffith, 44, Cannon Street, Preston, Lancs.
- PINNER, HUGH GEORGE, Clerk to F. J. Connor (A. P. Smith & Co.), 3, York Street, Manchester.
- PORTER, SIDNEY (Boyle & Porter), 6, 7 and 8, County Chambers, Weston Road, Southend-on-Sea, Essex, Practising Accountant.
- RATCLIFFE, GEORGE, Clerk to Brown, Peet & Tilly, 37-38, Mark Lane, London, E.C.3.
- RAWCLIFFE, STANLEY, Borough Treasurer's Department, Town Hall, Southport.
- REYNOLDS, JACK, Clerk to Hodgson, Harris & Co., Bank Chambers, Parliament Street, Hull.
- ROBINSON, EVANS CAPELL, Clerk to L. E. Stewart, 22, Marefair, Northampton.
- ROGERS, JOSHUA REDFORD, Clerk to Clare Catley, Smith's Chambers, 6, Westborough, Scarborough.
- RUSBY, EDMUND LOUIS, Clerk to John Gordon & Co., 7, Bond Place, Leeds.
- SAGAR, ERIC WILLIAM, Treasurer's Department, West Riding County Council, County Hall, Wakefield.
- SALTER, FRANK GILBERT, Clerk to Ernest E. Hill (Ernest E. Hill & Co.), 26, High Street, Cardiff.
- SCANTLEBURY, CHARLES WESLEY, Clerk to E. C. Condy & Co., 15, Princess Square, Plymouth.
- SCHISHKIN, VICTOR, Clerk to N. M. Clarke-Lens (Clarke-Lens & Clarke-Lens), 76, Newgate Street, London, E.C.1.
- SEN, NARENDRA NARAYAN, B.Sc., Clerk to S. N. Mukherji, 1B, Old Post Office Street, Calcutta, India.
- SHARPE, ROBERT JAMES BREAKEY, Clerk to James Baird (James Baird & Co.), Church Street, Coleraine.
- SHAW, HAROLD, Clerk to Ernest Carter, City Chambers, Wood Street, Wakefield.
- SIMPSON, WILLIAM STUART, Clerk to C. T. Stephens (William Clark & Stephens), 20, Westgate Chambers, Newport, Mon.
- SLATCHER, REGINALD NORMAN, Clerk to P. A. Moulton (C. A. Moulton & Co.), Yorkshire Buildings, Wood Street, Wakefield.
- SLATER, PHILIP, Clerk to W. G. Lithgow, Bank Chambers, 413, Lord Street, Southport.
- SMART, JOHN FREDERICK, Clerk to E. Harlow & Co., Grosvenor Chambers, 23, King Street, Nottingham.
- SMITH, ALBERT, Borough Treasurer's Department, Town Hall, Lytham St. Annes.

INTERMEDIATE—(Continued.)

SMITH, GEORGE HERBERT, Clerk to Parkinson, Mather & Co., 5, Clarence Street, Albert Square, Manchester.

SMITH, JOHN NAPIER, City Treasurer and Controller's Office, City Hall, Cardiff.

SMITH, SAM, Clerk to S. Laycock (Wm. Robertshaw & Myers), Barclays Bank Chambers, Keighley.

SORRELL, ERNEST ROBERT, Accountant's Department, Essex County Council, County Offices, Chelmsford.

SPENCER, WILLIAM RANDOLPH, Clerk to Harmood Banner & Son, 24, North John Street, Liverpool.

SQUIRES, JACK EDMUND, Clerk to Harry Slater (H. Slater & Sons), 5, St. Andrew's Street, Cambridge.

STOKOE, FREDERICK, Clerk to Blackburns, Coates & Co., 2, East Parade, Leeds.

STOREY, WILLIAM ERNEST, Clerk to R. C. Spicer (Culley & Co.), 5, Bank Plain, Norwich.

SYMONDS, ROBIN GARWOOD, Clerk to H. Portlock (Henry Portlock & Co.), 186, Bishopsgate, London, E.C.2.

TAYLOR, FRANK, Clerk to R. H. B. Heap, 32, Market Street, Bradford, Yorks.

TAYLOR, WILLIAM DENNIS, Clerk to W. McIntosh Whyte (W. McIntosh Whyte & Co.), 11, Queen Victoria Street, London, E.C.4.

THOMPSON, PHILIP LEONIDAS, Clerk to J. M. Ferguson, Staple Inn Buildings, High Holborn, London, W.C.1

TOMLINSON, WILLIAM ARTHUR, Clerk to Albert Law (Keens, Shay, Law & Co.), Lloyds Bank Chambers, Church Street, Sheffield.

TREASE, JOHN PAGET, Clerk to Stanley Blythen (Stanley Blythen & Co.), 12, Low Pavement, Nottingham.

TRUBY, GEORGE FREDERICK, Clerk to Peat, Marwick, Mitchell & Co., Lloyds Bank Chambers, Wind Street, Swansea.

TURNER, PERCY, Clerk to J. Turner (Alfred Nixon, Son & Turner), 31, Victoria Buildings, St. Mary's Gate, Manchester.

VACHHA, HOMY JAMSHEDJEE, B.A., Clerk to H. A. R. J. Wilson (Wilson, Bigg & Co.), Pomeroy House, 28A, Basinghall Street, London, E.C.2.

WADDINGTON, NICHOLAS, Clerk to Proctor & Proctor, 3, Grimshaw Street, Burnley.

WADMAN, ALBERT EDWARD, Clerk to Gillespie Brothers & Co., Imperial House, 80-86, Regent Street, London, W.1.

WAIGHT, WILFRED CHARLES, Clerk to Geo. W. Spencer (Geo. W. Spencer & Co.), 10, Bush Lane, Cannon Street, London, E.C.4.

WALTON, WILFRED ALEXANDER, Clerk to J. O. Worrall (Armstrong, Worrall & Co.), 41, Corporation Street, Manchester.

WARD, WILLIAM HERBERT, Clerk to Holman, Foxcroft & Jackson, 11, Queen Victoria Street, London, E.C.4.

WATSON, ELEANOR MARY, Clerk to Arthur W. Watson (J. Durie Kerr, Watson & Co.), 5, Waterloo Street, Birmingham.

WEBB, MAURICE WILLIAM, Clerk to J. F. Hudson (MacIntyre, Hudson & Co.), 5, Arundel Street, Strand, London, W.C.2.

WELLACOTT, JOHN HOWE BABER, Clerk to H. Kingston (Kingston, Smith & Co.), Adelaide House, King William Street, London, E.C.4.

WHITE, GERALD WALTER, Clerk to Rance & Duncombe, 109, New Bedford Road, Luton.

WIFFEN, HERBERT CHARLES, Clerk to Edward Blinkhorn (Edward Blinkhorn, Lyon & Co.), 69, Leadenhall Street, London, E.C.3.

WIGGIN, ARTHUR LESLIE, Clerk to E. I. Law (A. & E. Law & Co.), Kingscourt, Bridge Street, Walsall.

WILD, JAMES, Clerk to R. Horsefield, 8, Peter Street, Manchester.

WILSON, PHILIP ARTHUR THOMAS, Clerk to Walter Holman (Holman, Foxcroft & Jackson), 11, Queen Victoria Street, London, E.C.4.

WRIGHT, FREDERICK WALTER, Clerk to H. P. Gould & Son, 8, Upper King Street, Norwich.

SUMMARY:—

7 Candidates awarded Honours.

169 Candidates passed.

182 Candidates failed.

358 Total.

Passed in Preliminary.

Order of Merit.

MCPARLAND, CORNELIUS, 57, Lincoln Street, Belfast. (*First Place Certificate and Prize.*)

Alphabetical Order.

BAILEY, RONALD, 2, West Hill Terrace, Skegby, near Mansfield.

BIRCH, ALBERT, 117, Cumberland Road, Plaistow, London, E.13.

BLEINER, RITA STELLA, 90, Deacon Road, Kingston-on-Thames, Surrey.

BOURNE, CHARLES NORMAN, 71, Braxted Park, Streatham, London, S.W.16.

BROCKLEHURST, BERNARD WILLIAM, 437, Didsbury Road, Heaton Mersey, Manchester.

CHARNOCK, ERIC SUTCLIFFE, 30, Rosslyn Road, Walthamstow, London, E.17.

CLARK, LESLIE GORDON, "Surlingham," New Barn, Longfield, Kent.

CLARK, STANLEY JAMES, 26, Gordon Avenue, Southampton.

COLLIER, FRANK DAVID, 36, Maitland Avenue, Chorlton cum-Hardy, Manchester.

CROWTHER, NORMAN, 22, Westcroft Road, Didsbury, Manchester.

CUNGLE, ALFRED ERNEST, 22, Lincoln Street, Gateshead-on-Tyne.

CUNDY, FRANCIS WILLIAM, 9, Ilsham Road, Wells Wood, Torquay.

DAVISON, JOSEPH RONALD, The Mount, Heckmondwike, Yorks.

DIXON, ERIC WILLIAM CHILDS, 35, Shoebury Road, East Ham, London, E.6.

DRAKE, RONALD WILLIAM FREDERICK, 21, Wilton Avenue, Chiswick, London, W.4.

EAMES, KENNETH MORTIMER, 380, Old Road, Clacton-on-Sea.

EVERITT, HAROLD EDWARD MINSTER, 118, Granville Road, Southfields, London, S.W.18.

GILDEA, PETER HUGH, 24, Fallswater Street, Belfast.

GOOLD, ERNEST GEORGE, 5, Grange Park Avenue, Winchmore Hill, London, N.21.

GRAHAM, DONALD, Red House, Scotby.

HALLETT, SIDNEY FREDERICK, 46, St. Norbert Road, Brockley, London, S.E.4.

HARDING, CECIL BRADBURY, 8, Beechwood Gardens, Woodford Avenue, Ilford, Essex.

HARGREAVES, CEDRIC, 62, Main Street, Sutton-in-Craven, near Keighley, Yorks.

HILL, ALBERT, Schoolhouse, Derby Road, Peel, Isle of Man.

HUGGINS, LEONARD WILLIAM, 40, Stratton Road, Gloucester.

JEFFERY, DESMOND WILSON, 138, Rosendale Road, West Dulwich, London, S.E.21.

JOHN, FRANK AUBREY, 10, Tymaur Road, Llandaff, North, Cardiff.

JOHNSTON, WILLIAM ALLEN, 33, Bernard Road, Wrexham, Denbighshire.

JONES, PETER ASTERLEY, The Cleves, Nailsworth, Glos.

KACHEL, EDWIN PAUL, 64, Carminia Road, London, S.W.17.

PRELIMINARY—(Continued.)

KEEN, FREDERICK CHARLES JAMES, 66, Oxford Avenue, W. Wimbledon, London, S.W.19.

LANE, THOMAS HAROLD, 7, Knowsley Avenue, Blackpool.

LEARY, WILLIAM RICHARD DAVIS, 28, Longwood Avenue, South Circular Road, Dublin.

LEDGER, JOHN EDWARD, 22, Annandale Road, Greenwich, London, S.E.10.

LONGBOTTOM, CYRIL, 2, Oakley Street, Thorpe, near Wakefield.

MARLOW, JOHN STANLEY, 1, Church Street, Lozells, Birmingham.

MIDDLETON, HENRY WILLIAM CHARLES, 119, Albert Road, Leyton, London, E.10.

MURPHY, ROBERT FRANCIS, 14, Reuben Street, South Circular Road, Dublin.

NEWMAN, FREDERICK HENRY, 94, Arden Road, Smethwick, near Birmingham.

NIND, ERIC FRANCIS, 12, High Street, Woking.

PARKER, WILLIAM, 11, Spooner Street, Birmingham.

PARKIN, CHARLES, 12, Asquith Road, Bentley, near Doncaster.

PEET, REGINALD OWEN, 1, Manvers Street, Mansfield, Notts.

RADCLIFFE, JOHN, 246B, Crumlin Road, Belfast.

ROBINSON, JOHN, Bankfield, Cleckheaton.

ROGERS, PATRICK MERVYN, 132, Torriano Avenue, Brecknock Road, London, N.W.5.

ROOUM, EDWARD ELLISON, 15, Selborne Terrace, Shipley, Yorks.

ROSCOE, JOHN CURRIER, Comyns Park Farm, Snitterfield, Stratford-on-Avon.

SEPHTON, CLAUDE, 4, County Council Cottages, Church Road, Formby, Liverpool.

STEINHART, JOSEPH, 30, Wicker Street, Cannon Street Road, London, E.1.

STEPHEN, CARR JOHN KENNETH, 55, Capri Road, Addiscombe, Croydon.

STEWART, HAROLD, 9, Kingston Terrace, Roker, Sunderland.

STOCKS, ARTHUR, 280, Glenholme Terrace, Wakefield Road, Dewsbury.

SUTHERLAND, WILLIAM ALLAN, 12, Garden Street, Westminster, London, S.W.1.

TATE, LAURENCE FRANCIS, 96, Barrow Road, Streatham, London, S.W.16.

THOMPSON, JAMES, 5, Derryvolgie Avenue, Belfast.

TIPPETTS, HAROLD ANTHONY, 47, Alexander Road, Acocks Green, Birmingham.

TROWBRIDGE, PERCIVAL JAMES, 15, Sidney Road, Forest Gate, London, E.7.

VEITCH, LESLIE, Fox How, Regent Road, Altrincham, Cheshire.

VENMORE, ROGER EDWARD, 76, Morden Road, Newport, Mon.

WAKERLEY, HENRY, 49, Tamworth Street, Oldham.

WALKER, JAMES ARTHUR, 43, Church Street, Portadown.

WARD, MARCUS DANIEL, Peartree Hill, Maze, Lisburn, Co. Antrim.

WARDELL, ROBERT HENRY, Stacumny, Celbridge, Co. Kildare.

WEST, NORMAN LEIGH, 130A, High Road, Woodford Wells, Essex.

WHITAKER, WILLIAM, Croft House, Cowling, near Keighley.

WHITTAKER, ALBERT, 20, Holly Street, Nelson, Lancs.

WHITTLE, MAURICE BARTRAM, 37, Ormonde Road, East Sheen, London, S.W.14.

WILLIAMS, ALFRED, 15, Elmfield Gardens, Gosforth, Newcastle-on-Tyne.

WOLFENDEN, ARTHUR WILLIAM, 16, Carlton Street, Halifax.

WOLSTENHOLME, STEPHEN, 104, Spotland Road, Rochdale.

WOOD, DAVID EDGAR, 1, Tame Street East, Fullbrook, Walsall.

WRATHALL, JOHN JAMES, 33, Halton Road, Skerton, Lancaster.

SUMMARY :—

1	<i>Candidate awarded Honours.</i>
73	<i>Candidates passed.</i>
68	<i>Candidates failed.</i>

142 Total.

ACCOUNTANT OFFICERS, ROYAL AIR FORCE.

The Air Ministry announces that an examination will be held in the latter part of March, 1931, under the scheme inaugurated in 1924 for the entry into the Accountant Branch of the Royal Air Force of qualified and experienced civil accountants. About five vacancies are likely to be available. The age limits are 22 to 26.

The competition will be held in London by the Civil Service Commissioners, and will include (1) an examination in book-keeping and accountancy (excluding partnership and executorship accounts), the standard being that of the Final examinations of the Institute of Chartered Accountants and the Society of Incorporated Accountants and Auditors ; (2) an examination in English and general knowledge (essay, précis and questions to test knowledge of matters of general interest) ; and (3) an interview before a selection board at which stress will be laid on accounting experience and special weight given to the type of experience provided by articled service.

The emoluments of an Accountant Officer consist on the one hand of pay and on the other of accommodation, fuel, light, rations and personal attendance provided in kind. When the latter are not available cash allowances are granted in lieu. The total of the pay and cash allowances of Accountant Officers range at present rates from about £377 a year for an officer on first entry to £1,157 a year for a married officer in the highest rank.

The Accountant Branch provides a permanent career. It is not, of course, possible to pledge the future, but so far as present foresight can show, the Branch will be subject to no sudden changes affecting adversely the fortunes of its officers. The Air Force is at present a growing service, and the duties thrown on the Accountant Branch are such as will, so far as can be foreseen, always be required.

Officers enter the Branch with the rank of Pilot Officer and on probation. After twelve months' satisfactory service they are confirmed in their commission and promoted to Flying Officer. Thereafter promotion is by selection. The next ranks are Flight Lieutenant and Squadron Leader, and it is contemplated that officers who give satisfactory service should be promoted at least up to the latter rank, while a reasonable proportion would be able to expect promotion to the higher rank of Wing Commander and some to the rank of Group Captain. It must be understood that promotion depends on requirements and requirements on future circumstances, but the policy of the Air Ministry is directed to ensuring to Accountant Officers a career not inferior to that indicated above.

The length of the career provided depends on the rank attained. The compulsory retiring ages are for Squadron Leaders 53, for Wing Commanders 57, and for Group Captains 60 ; any officers not attaining the rank of Squadron Leader would be retired at the age of 50.

Application should be made to the Secretary, Air Ministry (S.7), Kingsway, London, W.C.2, for the regulations and for application forms. Completed application forms should reach the Air Ministry by February 1st next, or at latest by February 15th.

Reviews.

Public and Company Meetings: Conduct and Procedure. 12th Edition. By Albert Crear, Barrister-at-Law. London: Jordan & Sons, Limited, Chancery Lane, W.C. (370 pp. Price 5s. net.)

This is an instructive book on the subject of public and company meetings. The author deals with almost every circumstance that is likely to arise in relation to the calling of the meetings, their conduct by the chairman, questions of voting and proxies, minutes, &c. The changes in the law and practice brought about by the Companies Act, 1929, are fully dealt with, and special attention has been devoted to the preparation of a comprehensive index, so that any particular point may be readily found. The appendix contains extracts from statutes relating to meetings, &c., and numerous forms of notices and other matters; also a selection of examination questions.

Company Secretarial Practice. By Alfred Palmer, Incorporated Accountant. London: Longmans, Green and Co., Limited, 39, Paternoster Row, E.C. (356 pp. Price 6s. net.)

Although this book is intended primarily for examination candidates, secretaries of public companies will find it very useful for reference. Without entering into detail a great deal of useful information is conveyed in very convenient form. For instance, the method of drafting resolutions is exemplified, and the procedure to be adopted in relation to transfers, declaration of dividends and other matters is set forth in clear and simple language with numerous forms in illustration of the text; also specimen reports on matters referred by directors, examples of précis drafting, &c. The appendix contains a table of returns and documents to be filed, with the time allowed for compliance in each case.

Book-keeping and Accounts, Principles and Practice. 6th Edition. By B. G. Vickery, F.C.A., F.S.A.A. London: The Gregg Publishing Company, Limited, 36-38 Kingsway, W.C. (642 pp. Price 12s. 6d. net.)

This is eminently a book for students, the main feature being the many worked examples which are included, and the graded exercises at the end of each chapter which are designed to enable examination candidates to obtain constant practice in speed and accuracy. The exercises are selected mainly from the examination papers of the leading accountancy bodies. The whole range of book-keeping and accounts is covered, including partnership dissolutions, consignments, joint ventures, branch accounts, and accounts of limited companies.

The Secretary's Manual on the Law and Practice of Joint Stock Companies. 21st Edition. By Judge Haydon, M.A., K.C., and Sir Gilbert Garnsey, F.C.A. Jordan & Sons, Limited, Chancery Lane, W.C. (520 pp. Price 7s. 6d. net.)

The numerous points of difficulty which arise in connection with the affairs of joint stock companies are fully dealt with in this publication, including alterations in procedure in the voluntary winding up of companies brought about by the Act of 1929. In the appendix will also be found the new rules of the Stock Exchange with regard to grants of permission to deal. The book has been revised so as to give effect to the many amendments of the law which the Companies Act of 1929 brought into operation.

Companies Act Anomalies.

A LECTURE delivered before the Incorporated Secretaries' Association by

MR. HERBERT W. JORDAN.

Mr. JORDAN said: The title of this evening's lecture has not, I hope, led you to expect from me anything other than criticism of vagaries which occur in the preparation of most Acts of Parliament, and in the case of so extensive an Act as the present Companies Act seem always to arise. To some extent the complexities of the law make anomalies unavoidable. But avoidable ones should be eliminated, and it may be that the examples in the Companies Act that I propose to mention will be of interest when a further amendment of the law relating to Joint Stock Companies is contemplated. The instances I have in mind are not such as to warrant an amending Act, nor on other grounds does the need for amendment of the law appear to be as pressing as is in some quarters suggested. That the Act is not free from weaknesses is evident, but the clamant demand for reform periodically heard after the discovery or exposure of notorious fraud should not be regarded unless after subjection to careful scrutiny by competent persons it is found that the proposals put forward as a consequence are sound.

Before elaborate reform of the law is attempted we should wait until experience shows whether or not the Companies Act, 1929, has made the path of the wrongdoer too difficult for him. An Act comprising 385 sections and 12 schedules, occupying in the King's printer's copy over 300 closely printed pages, cannot be assimilated hastily, and its phraseology is not such as "he who runs may read." The Act has been in operation but thirteen months, and even the lawyer who specialises in Company Law would find it a heavy meal to digest in so short a time.

The present-day evils cannot justly be attributed to any great extent to defects in the Companies Act. Credulosity or misplaced confidence in individuals (as in the past) is at the root of the trouble, and no amount of tightening up of the law will destroy the optimism with which some people hope for big profits from small outlay. Though this be so, people to-day are not as credulous or reckless as were our forefathers in the early part of the eighteenth century. An announcement such as the following would to-day merely invite ridicule:—

"This day, the 8th inst., at Sam's Coffee House, behind the Royal Exchange, at 3 in the afternoon, a book will be opened for entering into a joint co-partnership for carrying on a thing that will turn to the advantage of all concerned."

No particulars of the "thing" were to be revealed for a month; it was intimated that in the meantime every person paying two guineas would be entitled to a subscription of £100, which would produce that sum yearly. In the forenoon 1,000 subscriptions were received; in the evening the rascal set out for another kingdom.

INCORPORATION AND MANAGEMENT.

The anomalies I propose to mention are among the more obvious of those I have come across; the list might be greatly extended were one to take the trouble to search the Act.

Under sect. 18 a limited company may be incorporated without the word "Limited" forming part of its name if the company is to be "formed for promoting commerce, art, science, religion, charity or any other useful object." This is conditional upon the licence of the Board of Trade

being first obtained, and before issuing the licence the Board must be satisfied that the company will apply any profits or other income in promoting its objects and that the payment of any dividend to members will be prohibited. Under sect. 14 not more than two acres of land may be held without the licence of the Board of Trade by a company "formed for the purpose of promoting art, science, religion, charity or any other like object" not involving the acquisition of gain by the company or by its individual members.

It will be observed that sect. 14 uses the words "or any other like object" in place of the words "or any other useful object" in sect. 18. When application for a licence is made under sect. 18 the Board interprets the words "any other useful object" in the light of the preceding words "promoting commerce, art, science, religion, charity." Thus in practice there is little distinction between the interpretation of the words "any other useful object" and "any other like object," and unless there exists some definite reason for the distinction it would seem that the same expression should be used in each case.

If at any time the number of members of a private company is reduced below two and business is carried on for more than six months while the number is so reduced, the remaining member (if he is aware of the position) is by sect. 28 made liable for the payment of the whole debts of the company contracted after the period of six months has elapsed and may be sued therefor. Where the membership of a public company is reduced below seven the remaining members are severally liable for the debts of the company in similar manner.

This provision is not so well known as it should be. Probably there are many private companies with only two members, both of whom leave the conduct of the business to a manager. On the death of either member the survivor is placed in a difficulty if he should be unable to find another person willing to become a member: if business is carried on for more than six months he becomes personally liable for the company's debts; if business is not carried on the company should go into liquidation. An awkward aspect of the matter is that a winding up resolution cannot be passed, as one person cannot constitute a meeting, and the company could only be wound up on application to the Court under sect. 170 for a winding up order.

SHARES AND DEBENTURES.

Sect. 39 prohibits the allotment by a public company of any share capital offered to the public for subscription unless application has been received for shares to the amount of the "minimum subscription." This provision does not apply after the first allotment of shares offered to the public. The "minimum subscription" is the minimum amount which, in the opinion of the directors, must be raised in respect of the purchase price of property, preliminary expenses and commission, working capital, &c. These matters are chiefly appropriate to a first allotment to the public. Yet under sect. 35 the "minimum subscription" must be stated in every prospectus, although in the case of a second or later offer the allotment of shares is not forbidden if the applications do not amount to as much as the "minimum subscription."

Sect. 42 requires a company limited by shares or limited by guarantee and having a share capital to lodge for filing returns of allotments, and "in the case of shares allotted as fully or partly paid up otherwise than in cash a contract in writing constituting the title of the allottees to the allotment together with any contract of sale," &c. The effect of this is that if a share is paid up to ever so trifling an extent—say for 1s. on a £1 share—for other consideration than cash (the balance being payable in cash)

a contract is required to be registered, but if it was allotted for cash to that trifling amount and subsequently the balance was credited as paid up for other consideration than cash no contract would be required to be registered.

There are two anomalies here. They would disappear if the section were to require (1) *every* company having a share capital to lodge for filing returns of allotments, and (2) Returns to be filed whenever any shares are credited (instead of allotted) as fully or partly paid up otherwise than in cash.

It will be observed that only limited companies are required to lodge for filing returns of allotments. It would seem that the obligation should be extended to unlimited companies having a share capital.

Under sect. 46 redeemable preference shares may be issued by a company limited by shares. A company limited by guarantee and having a share capital cannot issue such shares, although there would appear to be no good reason for withholding the power from such a company.

Sect. 63 prohibits, notwithstanding anything in the Articles of the company, the registration of a transfer of shares (or debentures) of a company "unless a proper instrument of transfer has been delivered to the company." Where shares standing in the name of a member on which the company has a lien are sold because of the member's failure to discharge the lien a transfer must therefore be executed. New Articles should, as does Clause 9 of Table A of 1929, empower the directors to authorise some person to transfer the shares. Prior to November 1st, 1929, it was not the practice to execute an instrument of transfer in such a case. Neither in the Articles nor in Table A was power conferred to authorise some person to transfer on behalf of the company. In the case of companies registered before the date named it would seem that the Articles should be altered by special resolution before a compulsory sale of shares can be effected, or where the company is governed wholly by Table A an Article would have to be adopted by special resolution giving the directors the necessary power. If in any instance the holder of shares subject to a lien should have at his command more than one-fourth of the total voting power he will be able to prevent the passing of a special resolution and thus deprive the company of the power to enforce the lien on his shares. It would seem that the proviso to sect. 63 should have been extended to deal with the case of a sale by directors in the exercise of their right to sell where the company has a lien.

It is worthy of comment that in the case of a forfeiture of shares in consequence of calls not being paid the new provision in Clause 28 of Table A of 1929 enabling a transfer to be executed is that the company "may execute a transfer of the share in favour of the person to whom the share is sold or disposed of." To give a company power to execute a transfer of its own shares is somewhat novel, and it might have been better to have empowered the directors to authorise someone to execute a transfer in a case of this kind also.

REGISTRATION OF CHARGES.

Sect. 81 requires the registration of a charge existing on property which is acquired by a company and provides that if the property be situate and the charge be created outside Great Britain the period within which registration must be effected is to be calculated from the day on which it is received in the United Kingdom. The expressions "Great Britain" and "the United Kingdom" are used as though they were synonymous. In the corresponding provisions of sect. 79 (3) and (4) relating to the registration of charges the expression "United Kingdom" only is used.

Under sect. 87 every company must keep at its registered office a copy of every instrument creating a charge. Under

sect. 88 every limited company must keep a register of charges. An unlimited company must therefore keep a copy of the instrument creating a charge but it need not have a register of charges. Why should not the requirement as to the keeping of a register apply to all companies, whether limited or unlimited?

Sect. 88 requires floating charges to be entered in the register of charges as well as charges specifically affecting property of the company, and the names of the persons entitled to the charges. Sect. 89 gives creditors and members the right to inspect the register without fee and any other person on payment of one shilling. Under sect. 73 every register of debenture holders must be open to inspection by holders of debentures or shares. No right to inspect is conferred on any other person, and therefore persons other than debenture holders and shareholders—*i.e.*, ordinary creditors, mortgagees, and members of companies without share capital—may (where there is no trust deed) only find out the names of holders of a floating charge by inspecting the register of charges required to be kept by sect. 88. Where the debentures are secured by a trust deed this procedure will not avail as the names on the register will be those of the trustees, the names of the persons entitled to the charge not being required. Why should a distinction as regards inspection be made between the two kinds of registers?

MANAGEMENT AND ADMINISTRATION.

Sect. 96 requires every company having more than fifty members to keep an index of the names of its members unless the register is in such form as to constitute an index. The annual return required by sect. 108 to be lodged for filing must have an index annexed to it unless the names in the return are arranged in alphabetical order; and this requirement applies irrespective of the number of members, so that if there are only two members their names must be in alphabetical order. It would be convenient to have one requirement of the kind, to apply both to the register of members and the annual return.

In sects. 108, 109, 110, 123, 126, 129 and 130 the expressions "annexed" and "attached" are used as though they have different meanings but the respective meanings are not apparent.

Under sect. 108 if the names of the members are not set out in alphabetical order in the annual return of a company having a share capital an index to the return must be annexed. Under sect. 109 the annual return of a company not having a share capital must have annexed to it a statement as to the indebtedness of the company in respect of certain mortgages and charges.

Under sect. 110 the annual return of a public company must contain a copy of the last audited balance sheet, including every document required by law to be annexed thereto, together with a copy of the auditors' report, and if the balance sheet is in a foreign language a translation in English must be annexed to it.

Under sect. 123 the directors of every company must in each year lay before the company in general meeting a balance sheet, to which there must be attached a report by the directors with respect to the company's affairs, &c.

Under sect. 126 the balance sheet of a holding company must have annexed to it a statement as to how the profits and losses of subsidiary companies have been dealt with.

Under sect. 129 the auditors' report must be attached to every balance sheet.

Under sect. 130 in the case of a public company a copy of every balance sheet including every document required by law to be annexed thereto which is to be laid before a company in general meeting, together with a copy of the auditors' report, must be sent to persons entitled to receive notices of general meetings not less than seven days before the date of the meeting. Any member of the company and any holder of debentures of the company will be entitled to be furnished on demand without charge with a copy of the last balance sheet "including every document required by law to be annexed thereto, together with a copy of the auditors' report on the balance sheet." In the case of a private company any member will be entitled to be furnished within seven days with "a copy of the balance sheet and auditors' report at a charge not exceeding 6d. for every 100 words."

It would appear that any member or debenture holder of a public company is entitled to a copy of the last balance sheet and any document required to be annexed (but not attached) thereto together with a copy of the auditors' report. This copy is to be supplied free. In the case of a private company any member has the right (upon payment) to be supplied with a copy of the balance sheet and auditors' report but not, it would seem, to any document required either to be annexed or attached to the balance sheet.

Under sect. 109 a company not having a share capital must make an annual return containing certain particulars, and under sect. 110 the return must be completed within twenty-eight days after the first or only ordinary general meeting in the year, but the Act does not specify the date to which the return is to be made up. The omission is rectified by the appropriate form of annual return prescribed by the Board of Trade, which shows that the return is to be made up to the fourteenth day after the meeting, as in the case of a company having a share capital.

Balance Sheet in Annual Return of Public Company.

The copy of the last balance sheet to be included in the annual return of a public company is required by sect. 110 to be "written." Under sect. 20 of the Interpretation Act, 1889, expressions referring to writing contained in an Act are, unless the contrary intention appears, to be construed as including references to "printing, lithography, photography and other modes of representing or reproducing words in a visible form." *Prima facie*, the intention of the Companies Act would appear to be that the copy balance sheet shall be written; otherwise the word "written" is superfluous. The Registrar of Companies, however, accepts copies of balance sheets whatever may be the mode of reproduction, and unless for some reason or other the matter should come before the Court, it may be regarded as settled that the word "written" is to be construed in the widest possible sense.

If the copy balance sheet included in the annual return of a public company is in a foreign language it must under sect. 110 have annexed to it a certified translation thereof in English. There is no similar provision in regard to copies of the balance sheet required by sect. 130 to be sent to persons entitled to receive notices of general meetings of the company, although the provision might well be made to apply to such copies.

Sub-sect. (3) of sect. 118 requires certain companies to hold a statutory meeting, and a statutory report must be sent to members before the meeting is held. The report must contain *inter alia* "an abstract of the receipts of the company and of the payments made thereout," and under sub-sect. (4) the report must be certified as

correct by the auditors "so far as it relates . . . to the receipts and payments of the company on capital account." The words "on capital account" are not appropriate and should be omitted. They were appropriate in the corresponding section of the Act of 1908, which required the report to contain an abstract of receipts and payments on capital account.

Under sect. 114 an extraordinary general meeting must be convened by the directors on the requisition of "members of the company holding at the date of the requisition one-tenth of such of the paid-up capital of the company as at the date of the deposit carries the right of voting at general meetings." Holders of share warrants cannot therefore join in a requisition unless the Articles provide that they shall be deemed to be members (sect. 97). Apparently they could do so formerly, as sect. 66 of the Act of 1908 provided for the convening of an extraordinary general meeting on the requisition of "holders of one-tenth of the issued share capital upon which all calls or other sums have been paid." Share warrants represent share capital, and presumably holders thereof could join in the requisition. This is not an anomaly, but the change (whether intentional or not) may be noted.

Sub-sect. 1 of sect. 97 requires a company on the issue of a share warrant to strike out of its register of members the name of the member then entered therein as holding the shares specified in the warrant "as if he had ceased to be a member," which suggests that the person is still a member although not on the register. Yet sub-sect. (5) states that the bearer of a share warrant may if the Articles so provide be deemed to be a member "either to the full extent or for any purposes defined in the Articles."

Under sect. 117 votes of proxies, whether on a show of hands or a poll (where proxies are allowed by the Articles), are to be included in computing the majority on the passing of an extraordinary or special resolution. But in the provisions relating to the demand for a poll power is not given to proxies to make such a demand. If proxies may vote they should also have the statutory right to demand a poll. The right may of course be conferred by the Articles, as it is by Clause 62 of the new Table A.

Under sect. 118 copies of Articles of Association that are issued must have embodied therein or annexed thereto a copy of every special or extraordinary resolution and certain other resolutions and agreements for the time being in force. If Articles have not been registered, copies of such documents must be supplied, whether in force or not. The two requirements should be consistent.

Sect. 120 requires minutes of proceedings of general meetings of a company and minutes of its directors to be entered in books kept for that purpose, and sect. 121 requires the general minute book to be kept at the registered office and to be open to inspection by members, to whom it gives the right to be supplied with a copy of any minutes. A penalty for refusing inspection or to supply copies of minutes of general meetings is imposed, but a penalty is not imposed for failure to keep minute books.

Keeping Proper Accounts—Laying Profit and Loss Account and Balance Sheet before Company.

Sect. 122 requires a company to keep proper books of account with respect to sums of money received and expended, sales and purchases of goods and of the assets and liabilities of the company. Default in complying with the requirement renders a director liable to imprisonment or a fine. Sect. 274 renders directors and other officers of a company that is being wound up liable to imprisonment if "proper books of account" have not been kept. The term "proper books of account" is not defined, but the provisions of sect. 274 are much more exacting than those of sect. 122. It would seem therefore that a director

might come within sect. 274 although sect. 122 had been strictly complied with. A person holding the office of director should not be satisfied by complying with the requirements of sect. 122, but in the exercise of his duties should bear in mind his fuller obligations as indicated by sect. 274, although he is only subject to penalties under that section in the event of a winding up.

Sect. 123 requires a profit and loss account and balance sheet to be prepared and laid before a company in general meeting, and some directions as to the contents of the balance sheet and the documents to be "attached" or "annexed" to the balance sheet are given by that section and by sects. 124, 125 and 126. Requirements are also imposed by sects. 44, 45, 46, 47, 54 and 75, and frequently it is only by observing the provisions of all these sections that a balance sheet complying with the Act can be produced. Sect. 128, moreover, requires the "accounts which in pursuance of this Act are to be laid before every company in general meeting to contain particulars as to loans to, and remuneration of, directors, &c. The information is not expressly required to be given in the balance sheet, although it is provided that "if in the case of any such accounts as aforesaid the requirements of this section are not complied with," the auditors must include in their report on the balance sheet a statement giving the required particulars.

By the various sections mentioned the balance sheet must "show as a separate item," "state under separate headings," "set out separately," "include a statement," and as required by other varied phrases, contain the information specified in the different sections. The complexities of a balance sheet are often such that it does not seem kind to place upon accountants the onus of discriminating between the meanings of these various phrases.

Subsidiary Companies.

Under sect. 127 a company is a subsidiary company within the meaning of the Act where :—

- (1) The amount of its shares held by the holding company is more than 50 per cent. of its share capital or such as to entitle the holding company to more than 50 per cent. of its voting power; or
- (2) The holding company has power to appoint the majority of its directors.

Theoretically, it will be seen, a company may be subsidiary to three other companies, each entirely distinct from the rest. A company might even technically be subsidiary to another company that is not in a position to exercise control over it and yet be actually under the control of a third company outside the section by virtue of voting rights conferred by debentures held by that company.

Sect. 128 requires "the accounts which in pursuance of this Act are to be laid before every company in general meeting" to disclose the total amount paid to the directors as remuneration for their services, inclusive of fees, percentages or other emoluments, paid to or receivable by them by or from the company or by or from every subsidiary company. This requirement is subject to a proviso rendering it unnecessary to include any amount paid to a managing director or to any other director in respect of any salaried employment or office held by him in the company.

This proviso enables the requirement to be rendered nugatory for all practical purposes. The expression "managing director" is not defined, and since the passing of the Act cases have occurred where companies with large directorates have expressly appointed all or nearly all of their directors managing directors. More commonly,

salaried offices are held by directors who receive merely nominal remuneration for their services as directors or render such services without remuneration.

Auditors.

Under sub-sect. (4) of sect. 132 the first auditors may be appointed by directors at any time prior to the first annual general meeting. The company may remove such auditors and appoint others. If the directors do not exercise their powers under the sub-section the company in general meeting may appoint the first auditors, and thereupon the said powers of the directors cease. Sub-sect. (6) provides that the remuneration of the auditors shall be fixed by the company in general meeting, "except that the remuneration of an auditor appointed before the first annual general meeting . . . may be fixed by the directors." It would seem therefore that where auditors have been appointed before the first annual meeting and removed by the company in general meeting the directors may fix the remuneration of the auditor supplanting their appointee.

Sect. 133 provides that "none of the following persons shall be qualified for appointment as auditor of a company":—

- (a) A director or officer of the company;
- (b) Except where the company is a private company, a person who is a partner of or in the employment of an officer of the company;
- (c) A body corporate.

The expression "director or officer" in paragraph (a) instead of "director or other officer" may give rise to a doubt as to whether a director is an officer within the meaning of the section. If the director is not an officer his partner (if a member of a firm) or employee may be auditor of a public as well as of a private company. But if a director is an officer, why does paragraph (a) use the expression "a director or officer" and paragraph (b) merely "an officer"? Obviously it would be improper for a director of a company also to be auditor of the company. It would also be improper for the auditor of a holding company to be a director of any subsidiary company, or *vice versa*, but there would be no contravention of the Act by the making of such an appointment.

A body corporate acting as auditor is by the section made liable to a fine not exceeding £100, but provision is not made for the imposition of any fine upon any individual contravening the section.

Directors' Remuneration—Compensation on Loss of Office.

Under sect. 148 members of a company entitled to one fourth of the total voting power of the members may by a demand in writing requisition the directors to furnish to all the members a statement showing the aggregate remuneration received by the directors (whether as directors or otherwise) in respect of each of the last three preceding years. Any such demand however is to be of no effect if within a month the company resolve that the statement shall not be furnished.

The position is somewhat anomalous. The requisition may be negatived but cannot be affirmed. Thus compliance with the requisition by members holding 25 per cent. of the votes could be withheld as a consequence of a decision of a meeting at which perhaps members entitled to only 10 per cent. of the votes were present, but could not be called for by a resolution of the company at which everybody was present.

Sect. 150 contains provisions relating to payments received by directors for loss of office or on retirement in connection with the transfer of the whole or any part of the undertaking or property of a company. Disclosure must

be made to the members and the proposal approved by the company. Shareholders have thus a measure of protection against any director who may be disposed to have regard to his own interest rather than to that of the company. The provision is salutary, but it does not touch the case of a director who receives consideration for accepting office in a purchasing company. The tendency in many cases of amalgamation for the number of directors of the new company to be excessive may thus be encouraged.

Under sect. 153 an Order of Court sanctioning a compromise between a company and its creditors or members is of no effect until an office copy of it has been lodged with the Registrar of Companies. Neglect to file an office copy does not involve liability to a fine; but a copy of the Order, whether effective or not, must, under penalty for default, be annexed to every copy of the memorandum issued after the making of the Order.

Voluntary Liquidation.

Under sect. 195 the liquidator of a company that is being wound up by the Court must render to the Board of Trade accounts of his receipts and payments and the accounts must be audited. It does not seem that the accounts in a voluntary winding up (whether members or creditors) which a liquidator is required to render to members or creditors and to file with the Registrar of Companies under sects. 235, 236, 244 and 245 are required to be audited.

Under sect. 230, where a statutory declaration of solvency by directors has been duly lodged with the Registrar of Companies, the provisions of the Act relating to a members' voluntary winding up will not apply. It may subsequently appear—perhaps almost immediately—that the prospect of creditors being paid in full is remote. Nevertheless the declaration cannot be withdrawn, nor can the creditors be given the rights vested in them in a creditors' voluntary winding up. Application may be made to the Court for a compulsory winding up or a winding up under supervision, but the creditors would not have the rights which they would have had if the declaration had not been made.

It should not be overlooked that the declaration is required to be made "at a meeting of the directors." A Commissioner or other person authorised to administer oaths should therefore be in attendance at the meeting. The requirement may be material, although no reference to the meeting is made in the prescribed form of declaration, nor is any inquiry on the point made by the Registrar.

Under sect. 240 creditors at a meeting held pursuant to sect. 238 may appoint a committee of inspection, and the company may, where such committee is appointed, either at a meeting at which the resolution to wind up is passed or subsequently likewise appoint a committee. Although the creditors may meet on the same day as the members their meeting generally takes place after the previous members' meeting. How can the company know what the creditors are going to do at a meeting which has not taken place?

There is no provision empowering the members to make a contingent appointment of a committee to act in the event of the creditors making such an appointment. Contributors may nominate a liquidator; why should they not have power to nominate or appoint contingently a committee of inspection?

Sect. 281 exempts from stamp duty proxy forms and other documents in the case of a winding up by the Court or of a creditors' voluntary winding up. In the case of a members' voluntary winding up proxy papers, &c., must be stamped as in the case of a company that is not in liquidation.

Companies Incorporated Out of Great Britain.

Part XI (sects. 343 to 353) provides for the registration of companies incorporated outside Great Britain carrying on business within Great Britain, and requires every company to which that part of the Act applies to make out a balance sheet in every calendar year and deliver a copy thereof to the Registrar. No exemption from this requirement is seemingly allowed to companies which by their Articles are private companies, although if incorporated in England the companies would be exempt.

Companies incorporated in the Channel Islands or the Isle of Man are by sect. 353 subject to all the provisions of the Act requiring documents to be filed with the Registrar as if they were registered in England, and if such a company establishes places of business both in England and Scotland these documents must be filed in both countries.

Under sect. 364 any person who carries on business under a name of which "Limited" (or any contraction or imitation of that word) is the last word is liable to a fine of £5 a day unless incorporation has been effected with limited liability. Improper use of the word "unlimited" apparently may be made with impunity. To mislead the public by adopting a name that implies incorporation with limited liability is an offence against the law; to mislead by implying incorporation with unlimited liability is not an offence under the Act.

Sect. 380 defines "prospectus" as meaning any prospectus, notice, &c., offering to the public for subscription or purchase any shares or debentures of a company. This would seem to exclude an invitation to existing members or debenture holders of a company (without the right of renunciation), but sect. 35, which makes specific requirements as to particulars to be given in prospectuses, expressly provides, by sub-sect. 5, that that section shall not apply to a prospectus issued to such person would appear to imply that such a document is a prospectus requiring to be filed pursuant to sect. 34.

SCHEDULES.

Clause 19 of Table A provides that "the directors may decline to register any transfer of shares" . . . and that "if the directors refuse to register a transfer of any shares" they shall within two months notify the transferee. "Decline" and "refuse" have the same meaning presumably, although the suggestion of mildness in the former expression is absent from the latter. If the presumption is correct only one word should be used.

In Clause 68 of Table A of the First Schedule to the Act reference is made to the "rotation or retirement" of directors. Many additional duties are imposed on directors by the Act, but that of rotating is not one of them. Evidently the word "or" has been printed in error for "of."

Table C in the First Schedule to the Act gives a model form of Memorandum of Association of a guarantee company without share capital and Articles of Association to accompany the Memorandum. "A.B." witnesses the signature of the subscribers to both documents, but gives his address in the Memorandum as No. 13, Hute Street, Clerkenwell, London, and in the Articles as No. 20, Bond Street, London. If in the case of a proposed new company a witness were as careless as "A.B." the Registrar of Companies would reject the papers.

INDUSTRIAL AND PROVIDENT SOCIETIES.

The language of the objects clauses in the forms of Memorandum in Tables A, B, C and D is not perfect, and the variations implied rather suggest that the draughtsman could not make up his mind.

Although not strictly relevant to our subject, it may be of interest if in conclusion I refer to the provisions of the Industrial and Provident Societies Act, 1893, under which a society registered under that Act may be wound up by Order of the Court or by resolution made or passed in accordance with the provisions of the Companies Acts. The provisions of the Companies Acts in force when the Industrial and Provident Societies Act was passed are now re-enacted (after amendment by the Act of 1928) in the Companies Act, 1929, and references to the earlier Acts are to be construed as references to the present Act.

A registered society may therefore be wound up either by extraordinary or special resolution passed in accordance with sect. 117. For the latter 21 days notice is required, but the resolution does not have to be confirmed at a subsequent meeting. An extraordinary resolution cannot be passed under the Industrial and Provident Societies Act, but a special resolution may be and is defined therein as a resolution which is:—

- (a) Passed by a majority of not less than three-fourths of such members of a registered society for the time being entitled under the rules to vote as may have voted in person, or by proxy where the rules allow proxies, at any general meeting of which notice, specifying the intention to propose the resolutions, has been duly given according to the Rules; and
- (b) Confirmed by a majority of such members for the time being entitled under the rules to vote as may have voted in person, or by proxy where the rules allow proxies, at a subsequent general meeting of which notice has been duly given, held not less than fourteen days nor more than one month from the day of the meeting at which such resolution was first passed.

This is not mentioned as a Companies Act anomaly, but it is anomalous that to an Industrial and Provident Society the expression "special resolution" should have more than one meaning.

A curious feature also is that the majority required for the passing of an extraordinary or special resolution under the Companies Act of 1929 is now a majority of the persons voting on the resolution, and not as formerly of persons present at the meeting. In this respect the Industrial and Provident Societies Act has been followed, as will be seen from the definition of a special resolution under that Act just quoted.

ROYAL NAVAL RESERVE. (ACCOUNTANT OFFICERS.)

The fourteenth annual Re-union Dinner of the Royal Naval Reserve (Accountant Officers) will be held at the Piccadilly Hotel, Piccadilly, on Friday, January 23rd, at 7.15 p.m. for 7.45 p.m.

All Officers, both of the permanent list and those who, during hostilities, held temporary commissions in the Branch, are cordially invited. Officers may invite guests if they so desire.

Tickets, price 15s., may be obtained from : The Hon. Secretary, Paymaster Lieut.-Commander R. J. Hayward, R.N.R., 103, Cannon Street, London, E.C.4; or from Paymaster Lieut.-Commander A. A. Garrett, R.N.R., Incorporated Accountants' Hall, Victoria Embankment, London, W.C.2.

North-West Lancashire District Society of Incorporated Accountants.

ANNUAL DINNER.

A gathering representative of the financial and municipal life of West Lancashire assembled at the Bull and Royal Hotel, Preston, on December 1st, on the occasion of the second Annual Dinner of the North-West Lancashire District Society of Incorporated Accountants and Auditors. The chair was taken by Alderman J. FEARHEAD, J.P. (President of the District Society), and amongst those present were: The Mayor of Preston (Alderman Atherton), Alderman T. KEENS, J.P., F.S.A.A. (Past President of the Parent Society), Sir James Openshaw, D.L., J.P., C.C. (Chairman, Preston Quarter Sessions), Sir George Etherton (Clerk of the Peace and Clerk of the Lancashire County Council), Alderman H. Astley-Bell, J.P. (President, Preston and District Chamber of Commerce), Mr. A. Howarth (Town Clerk of Preston), Mr. E. C. Moyle (Principal, The Harris Institute, Preston), Mr. R. F. Easterby (Treasurer, Lancashire County Council), Mr. J. M. Worthington (Registrar of the Chancery of Lancashire), Mr. A. Beal (District Auditor), Mr. R. G. Henry (Senior Inspector of Taxes, Preston), Mr. R. W. Lynn (Clerk to the Commissioners of Income Tax), Mr. C. J. Hemelryk, Barrister-at-Law, Mr. John Ambler, Solicitor, Mr. A. E. Piggott, F.S.A.A. (Hon. Secretary, Manchester District Society), Mr. E. E. Edwards (Assistant Parliamentary Secretary of the Parent Society), Alderman John Potter, F.S.A.A. (ex-Mayor of Blackpool), Mr. W. Bateson, F.S.A.A. (Borough Treasurer of Blackpool), and Mr. W. A. Davies, O.B.E., F.S.A.A. (Borough Treasurer of Preston).

Sir JAMES OPENSHAW, proposing "The Society of Incorporated Accountants," said that, as trade increased, it was perfectly clear that they could not go on keeping accounts in a haphazard way. If the services of accountants were used more, trade and commerce would be a great deal healthier than it was to-day. The time must come when the capacity of the cotton trade must approximate more nearly to the value of its assets than it did at the present time. The services of accountants would be necessary in bringing about this desirable state of affairs.

Mr. THOMAS KEENS, F.S.A.A. (Past President of the Society of Incorporated Accountants and Auditors), responding, said that during his three and a half years' Presidency the linking together of the chain of District Societies had given him the greatest satisfaction. That chain was now completed by the formation of the London District Society. The Rule Committee had had considerable trouble in formulating model rules because of the conflicting views of the various District Societies, and he was thankful that the work was now approaching completion. The qualification of an Incorporated Accountant was the only qualification in accountancy which was international. At the last meeting of the Council they had to discuss questions concerning accountancy in South Africa, Australia and India. If a man went, for example, to South Africa and desired to take an articled clerk, the only body who could permit him so to do, and take responsibility for that clerk, was the Society of Incorporated Accountants. In every corner of the world problems arose in maintaining the rights of the members of their own profession, and these problems fell upon the shoulders of their Council. Everybody was aware that since the end of the War there had been an extraordinary uprising of the feelings of nationalism, in many instances upon the most narrow lines. That spirit was shown in industry by trade barriers of every description, which

aimed at confining within the limits of a country trade, industry and finance. England was still a nation of bankers and financiers, with four thousand million pounds invested abroad, yielding an average interest of 6½ per cent., of which 3½ per cent. came home and the remainder was re-invested. Supervision of accounts was absolutely necessary, and therefore British accountancy had been in demand. On the coat of arms granted to the Society was the Latin equivalent of that famous judgment by Mr. Justice Warrington that the title "Incorporated Accountant" was evidence of reliability and integrity, a signal tribute to the Society and the profession generally. In some countries they felt very strongly indeed that accountants, like other things, should be made at home. The problem of the Council had been to preserve the rights of their members, and the order of merit overseas.

The Society was now well past the 5,000 mark in membership. It was continually growing, and it was most satisfactory that they had grown in strength in personnel and influence. He was often asked what was the difference between their Society and the Institute. There was only one difference, and that was that, in its Bye-Laws, the Society maintained, and he trusted always would maintain, the open door for the boy or girl whose parents were unable to meet the expense of articles.

Referring to Incorporated Accountants' Hall, Mr. KEENS said he found it had probably done more to advertise the Society than anything else, and it was visited by great numbers of accountants from overseas. The ultimate success of the Society and its value to the whole community depended upon its personnel and its members, and it should be with feelings of pride that they realised they possessed headquarters equal to those of any professional body in the land.

One of the most serious difficulties of the present time had been the instability of prices. The deficiency of gold had led to a rapid decline in prices, and the circulation and exchange had been inadequate, so that they had reached almost a crisis in currency. In order that steps might be taken to restore the stability of gold as a standard of value, the Gold Delegation of the League of Nations had called for international action. It was impossible for one country to avoid the evil consequences of the gold shortage or of a mal-adjusted currency. Britain might enter into negotiations with the principal countries of the world in an endeavour to arrest the increase in the price of gold. At the present time the United States of America and France together owned more than half the total gold reserve in the world. America had the extraordinary combination of a surplus of gold which was held in the Central Reserve vaults, warehouses bulging with commodities, including wheat, cotton and copper, which were largely unsaleable because of the over-accumulation of gold, and at the same time acute unemployment.

Much had been said in the past about over-production, but when it was remembered that in China, India and Russia, which together accounted for one-half of the world's population, there was obvious under-consumption, particularly of those commodities in which they were chiefly interested, namely, cotton goods, the word over-production must have a merely relative meaning. If the political disturbances in those countries did not exist, and if their inhabitants consumed a larger amount of cloth, the rehabilitation of the Lancashire cotton industry would be almost automatic.

Sir GEORGE ETHERTON, proposing "Our Civic Governors," paid tribute to the accountancy profession, and went on to deal with the general situation. He said that it would be impossible to conceive a more serious state of depression in industry than that which they were

experiencing to-day, and all of them should be prepared to play their part in an effort to bring back prosperity. They were navigating through storms of adversity, but he was convinced they would emerge into smooth waters, purified in the rooted traditions, feelings and affections of a progressive people. There was nothing new in the position they found themselves in to-day. Their forefathers a hundred years ago passed through far greater difficulties. In those distant days the control of finance was in the hands of a privileged few. There were no public services, no control of health and education, or indeed any system of local government. One of the things they might well be proud of was the public spirit and trustworthiness of their people in the development of local government during the last century.

Sir George expressed appreciation of the work of Incorporated Accountants, of the record of their Society, and the good it was doing in the best interests of accountancy.

The MAYOR OF PRESTON (Alderman Atherton) and Alderman ASTLEY-BELL responded.

The MAYOR said he appreciated the work the Incorporated Accountants of Preston were doing. He was grateful for the spirit of encouragement and optimism abroad that evening. He believed the darkest days were past, and they were now coming to the sunnier ones.

Alderman ASTLEY-BELL said that simultaneously with the insistent demand for economy was the demand that they should embark upon schemes involving the expenditure of large sums of money. Their commitments grew heavier and heavier year by year. Greater responsibilities were placed upon municipalities throughout the country by legislation. The problem of spending and economy was coincident with the industrial depression. Whatever the cause might be, he agreed that the production and use of gold played a very important part in the times through which they were passing. The question of the gold standard was discussed during the cotton trade conversations with Mr. Clynes in Manchester. They realised that America at the present time had something like £800,000,000 of gold lying in her vaults just as useless as if it had never been won from the ground. France had also a very large sum accumulated. If it was possible by international agreement to release £300,000,000 worth of gold he believed the effect would be an instantaneous restoration of trade conditions. The cotton trade was faced with external and internal questions. The panacea of the Graham Commission was amalgamation, but they were altogether doubtful of amalgamations, and they did not take that stand without some knowledge. In the meantime they were devoting their attention to internal reorganisation and cutting down overhead costs, while directors were accepting less. Among the external questions was the unrest in India. The boycott was breaking down, and they did know that stocks in India were at a very low point. Then there was the question of tariffs. It did seem extraordinary that they could get their goods into China with a less tariff than they could into India, Canada and Australia. They would go on striving to solve their difficulties, and with the whole-hearted co-operation of all sections he believed the time would come when Lancashire looms and spindles would be running at something approaching normal again.

Alderman JOHN POTTER, J.P., proposing "Our Guests," said it seemed to him that they who won the War were the most heavily taxed nation in the world. At a time when the burden of taxation rested so heavily upon the nation he thought they might well defer for some time the responsibilities which would have to be shouldered if the

Education Bill was put on the Statute Book. He would like to see more of his colleagues in the accountancy profession members of local authorities and also in Parliament, because he believed they had experience which would be of great use to the country.

Mr. C. E. MOYLE, responding, said he could see no limit to the extension of the activities of Incorporated Accountants. The legislators made the laws, the lawyers tried to find out what they meant, and the accountants were called in to clear up the mess. Accountants were men of science. They were presented with innumerable figures, and out of indescribable chaos they extracted order.

South Wales and Monmouthshire Incorporated Accountants.

(Cardiff and District Students' Section.)

ANNUAL DINNER,

The fifth annual dinner of the Cardiff and District Students' Section of the South Wales and Monmouthshire District Society of Incorporated Accountants and Auditors was held at Cardiff, on December 1st. Mr. E. EWART PEARCE, A.S.A.A., occupied the chair, and the gathering numbered 85, including Mrs. Pearce, Mr. John Alcock, F.S.A.A. (City Treasurer and Controller, Cardiff), and Mrs. Alcock, Mr. Ivor Davies, A.S.A.A., Mr. J. Alun Evans (Hon. Secretary) and Mrs. Evans, Mr. J. Pearson Griffiths, F.S.A.A., Mr. Percy A. Hayes, F.S.A.A. (Past Chairman), Mr. E. H. McGregor, A.S.A.A., Mr. T. R. Morris, F.S.A.A., Mr. L. J. Muller, A.S.A.A., Mr. W. J. Pallot, F.S.A.A. (President of the District Society), and Mrs. Pallot, Mr. L. H. Phillips, A.S.A.A., Mr. W. I. Rodda, A.S.A.A., Mr. Guy Ross, F.S.A.A., Mr. J. D. Simpson, A.S.A.A. (Assistant Secretary of the District Society) and Mrs. Simpson, Mr. K. V. Stephens (Vice-Chairman), Mr. Percy H. Walker, F.S.A.A. (Hon. Secretary of the District Society) and Mrs. Walker.

The CHAIRMAN, in submitting the toast of "The South Wales and Monmouthshire District Society of Incorporated Accountants and Auditors," better known locally as the District Society, said that the title itself was long and big enough, but it matched the Society's history and worth in those qualities, for it was now in its thirty-sixth year and still going strong. It was known that the work of the District Society had been valued most highly in London, recent examples of this being the fact that the new model rules for District Societies were based almost exclusively on the rules of their own Society, which had stood the test of time and experience for so many years. It should also be remembered that the District Society Scheme, the first part of which had just been completed by the formation of a London District Society, was urged upon the Council in London by the South Wales District Society; and further, the Parent Society had selected Mr. Wilson Bartlett, one of their Past Presidents, to give evidence before the recent Departmental Committee on Registration. He wished to pay his personal tribute to the Society, for he had spent over fifteen years in the profession. Not having been articled he had not had the same opportunities of appreciation as most of those present, but for the last ten years the work and utterances of the senior members had been so helpful to him that he paid tribute and was sure that all students were thankful for the examples set. It seemed to him that too little

publicity was given to the utterances of their seniors on the problems that confronted the nation at this time. Possibly their views were too sound and constructive to be recognised as such by certain sections of the present-day Press, but it was most unfortunate that there were not more properly qualified accountants available when laws were framed and passed. Surely the views of men like Sir James Martin, Sir Charles Wilson, Alderman Thos. Keens, Mr. Henry Morgan, Sir William Plender, Sir Harry Peat, and others, would have greater weight in the House of Commons itself than as members of various Commissions that sat from time to time. Sir Abe Bailey, the South African millionaire, had said "The recent Imperial Conference has brought home to the world that economics and not politics will be the future problem for all Parliaments," and if he was right, as he believed, then it was their duty to carry the training received in student days a great deal further. He felt that the District Society was one of the avenues by which they should progress and become more intelligent and keener citizens, capable of directing the thoughts and views of others into more sane, profitable and economic channels. They had men in the District Society who by their public speeches and lectures, by their services to municipalities and to voluntary organisations, and by their personalities, had set them examples worthy to follow, and they were grateful. He coupled with the toast the name of their esteemed President (Mr. W. J. Pallot) and that of Mr. Percy H. Walker, their most recent Past President.

Mr. W. J. PALLOT, in responding, referred to the progress made by the District Society, which he said was formed in the year 1894. The membership was then only 20, but it had now increased to a figure somewhere in the neighbourhood of 282, thus showing excellent progress. He referred to the able men who had led the Society in the capacity of Honorary Secretary, mentioning the names of Mr. Drinkwater, Mr. A. W. Horton, F.S.A.A., Mr. F. J. Alban, F.S.A.A., Mr. T. N. T. David, F.S.A.A., and Mr. Percy H. Walker, F.S.A.A. The District Society, he said, did all it could to help the student members.

Mr. PERCY H. WALKER made special reference to the prize essay scheme of the Students' Section; he mentioned that the first scheme of this kind was initiated by the late Mr. Richard Leyshon, F.S.A.A. (a member of the Parent Council), who also gave the first prizes.

Mr. W. I. RODDA, A.S.A.A. (Past Chairman), proposed the toast of the Cardiff and District Students' Section. He referred to the indebtedness of the students to the senior members, and congratulated the Students' Section on the very able officers appointed in recent years.

Mr. K. V. STEPHENS (Vice-Chairman) endorsed the remarks of the proposer on the interest taken by senior members, and said that the students much appreciated their help and guidance.

Mr. E. V. C. NICHOLLS, in proposing the last toast of the evening—that of "The Visitors"—expressed the gratification of the Committee at seeing so many visitors present at the function. He specially referred to the senior members present.

Mr. JOHN ALLCOCK, F.S.A.A. (City Treasurer and Controller), in responding, said that the Students' Section was a nursery for the training of students to take the places of the senior members in years to come. The position they would occupy later depended on the advantage taken of the many benefits available, and the senior members would like the students to come among them much more than they did at present; they would receive a hearty

welcome and he felt sure they would gain much knowledge from such intercourse.

Mr. J. PEARSON GRIFFITHS, F.S.A.A., also thanked the gathering for the enjoyable evening spent by the visitors.

A dance followed the dinner.

District Societies of Incorporated Accountants.

BRADFORD.

Annual Report.

The Committee have pleasure in submitting the following report of the Society's proceedings for the year 1929-30:—

REGISTRATION.

The year has been one of steady progress without any events of outstanding importance locally. The most important happening affecting the profession has been the setting up of a Departmental Committee by the Board of Trade at the request of the Society of Incorporated Accountants, the Institute of Chartered Accountants, and the Scottish Chartered Accountants, to consider whether or not accountants should be registered by law. The Committee collected a large amount of useful evidence on this subject, and recently issued its report expressing the unanimous conclusion that it is not desirable to restrict the practice of the profession of accountancy to persons whose names would be inscribed in a register established by law.

DISTRICT SOCIETIES SCHEME.

The Branches and District Societies Scheme, for the closer co-operation of District Societies with Headquarters, has been put into full operation throughout the country with successful results. New District Societies have been formed in various parts of the country, and a general awakening of interest amongst Incorporated Accountants in the affairs of the Society has been created.

MEMBERSHIP.

As a result of the decision of the Council of the Parent Society that proof of membership of a District Society shall be a condition precedent to their granting permission to sit for the Society's Intermediate and Final examinations, there has been a large increase in the number of members of the Students' Section. The numbers are as follows:—

Fellows and Associates in practice ..	93
Fellows and Associates not in practice ..	98
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Members of Students' Section ..	191
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Total	285
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RULES.

The Hon. Secretary attended the Conference of Representatives of District Societies in May, 1930, when several matters of importance were discussed, and it was decided to draw up Standard Rules for the use of all District Societies. A Committee was appointed which has submitted a draft to the District Societies for approval, and it is expected that the final draft will be ready to be submitted to a meeting of members for adoption at an early date. The new rules provide for the organisation of Students' Sections, and as soon as they are finally

settled it is intended to proceed with the formation of such sections at Keighley and Halifax if the members in and around those towns will give the necessary support to the scheme.

MEETINGS.

An attractive syllabus of lectures and meetings was arranged during the session, at which there was an average attendance of 27 for the nine lectures. The lectures arranged were as follows :—

"The Industrial Revolution—Its Causes and Consequences," by Mr. R. S. Dower, M.A. *Chairman* : Mr. A. E. Stringer.

Debate, Sheffield Students : "That in the opinion of this meeting, the Banking System of this country should be Nationalised." *Chairman* : Mr. Henry A. Horsfield.

"Knotty Points in Commercial Law," by Mr. O. Shepherd, M.A., LL.B., Barrister-at-Law. *Chairman* : Mr. E. Longbottom.

"The New Companies Act," by Mr. Herbert W. Jordan. *Chairman* : Mr. T. Hudson.

Debate, Chartered Accountants and Law Students : "That the modern attitude towards Sunday Observance is to be deprecated." *Chairman* : Mr. W. A. Heaton.

"Departures from the Normal Bases of Assessment," by Mr. H. A. R. J. Wilson, F.C.A., F.S.A.A. *Chairman* : Mr. H. Reynolds.

"Voluntary Liquidations," by Mr. G. R. Lawson, F.S.A.A., B.Com. *Chairman* : Mr. R. H. B. Heap.

"Executorship Law and Accounts," by Mr. Wilfred Grainger, F.S.A.A. *Chairman* : Mr. C. E. Thomas.

Mock Meeting, Yorkshire District Society : "Mock Income Tax Appeal."

The general meeting held on October 3rd, 1929, was a formal one for the election of Officers, &c., and after the completion of the business a smoking concert was held, which was enjoyed by the large number of members present.

On November 14th we had the pleasure of a visit from members of the Sheffield District Society, and of debating with them the question of the advisability of the nationalisation of the banking system of this country.

The usual debate with the members of the Law Students and Chartered Accountants Students was held on January 16th, 1930, and proved both entertaining and instructive.

Our members were also invited to the following lectures by the local Institute of Bankers :—

By Mr. P. B. Willcock, on "Company Flotation";

By Mr. W. Bell, M.A., on "Banking and Commerce";

By Mr. F. W. Lewcock, on "Stock Exchange Practice";

By Midland Bank Staff on "Mechanisation";

and by the Bradford Chartered Accountants Students' Association to their lectures :—

By Mr. W. Summerfield, on "The New Company Law";

By Mr. E. Miles Taylor, on "Costing."

DINNER.

The annual dinner held at the Midland Hotel on January 31st, 1930, was unanimously acclaimed a great advance on the previous ones. There was a good attendance of members to meet Mr. Henry Morgan, President of the Society, and the guests included the Deputy Lord Mayor of Bradford, the Mayor and Deputy Mayor of

Keighley, Mr. A. A. Garrett, Secretary of the Society, representatives of kindred societies and leading citizens.

LUNCHEES.

The monthly luncheons have been continued during the session, and the addresses and discussions have proved most interesting. The attendances have averaged 16, which, considering the number of Incorporated Accountants in Bradford, does not appear a large number. It is felt, however, that this is to some extent due to many never having attended. The fact that those who were present at the first luncheon have been regular attenders proves that the meetings are fulfilling the objects for which they were intended, viz., to enable Incorporated Accountants to meet together in a friendly atmosphere for the discussion and consideration of matters affecting the profession.

EXAMINATIONS.

Twenty-six members were successful at the examinations of the Parent Society, 12 in the Final and 14 in the Intermediate, and the hearty congratulations of all the members are extended to them.

LIBRARY.

It is felt that full advantage is not being taken by the members of the Library provided for their use. A full list of the books available was issued last year along with the Lecture syllabus in the hope that members might be induced to make use of the Library. The result has not, however, been what was expected. The Committee have authorised the Hon. Librarian to use his discretion in spending a certain amount of money in the purchase of books required immediately by members, and are desirous of receiving indications from the members of the books which would like to have placed in the Library.

The Committee acknowledge with thanks the gifts of the Bradford and Sheffield Corporations of copies of their Abstracts of Accounts; the London Students' Society of a copy of their lectures; and the Parent Society of a bound copy of the *Incorporated Accountants' Journal*.

Syllabus of Lectures. 1930-31.

1930.

Nov. 13th. "Bankruptcy Law," by Mr. W. H. Grainger, F.S.A.A. *Chairman* : Mr. Tom Hudson.

Nov. 27th. "The Present Trade Depression and the Trade Cycle Theory," by Prof. J. H. Jones, M.A. *Chairman* : Mr. Tom Hudson. (To be held at the Midland Hotel.)

Dec. 9th. Joint Debate with Chartered Accountants and Law Students.

Dec. 16th. "Notes on Income Tax and Sur Tax, including the Finance Act, 1930," by Mr. Victor Walton, C.A. *Chairman* : Mr. A. E. Stringer.

1931.

Jan. 8th. "Some Practical Points on Executorship," by Mr. C. A. Sales, LL.B., F.S.A.A. *Chairman* : Mr. R. H. B. Heap.

Jan. 13th. Joint Meeting with Yorkshire District Society at Hotel Metropole, Leeds. Mock Income Tax Appeal.

Feb. 3rd. "The Problem of Money and the Price Level," by Mr. W. Bell, M.A.

- Feb. 27th. "The Conduct of a Voluntary Liquidation," by Mr. Geo. R. Lawson, B.Com., F.S.A.A. *Chairman*: Mr. H. Mitchell Firth.
- Mar. 5th. "Arbitrations and Awards," by Mr. O. K. Metcalfe, M.A., LL.M., Barrister-at-Law. *Chairman*: Mr. C. E. Claridge.
- Mar. 17th. "Receivership," by Mr. E. Westby Nunn, LL.B., Barrister-at-Law. *Chairman*: Mr. W. Hustwick.
- Mar. 31st. "Costing," by Mr. E. Miles Taylor, F.C.A., F.S.A.A. *Chairman*: Mr. E. B. Rawlinson.
- Joint Debate with Sheffield District Society at Sheffield. (Date to be announced.)

Lectures will be held at the Liberal Club, Bank Street, Bradford (except where indicated otherwise), at 7.30 p.m.

The Society's annual dinner will be held at the Midland Hotel in January, 1931. Full details will be announced in due course.

The monthly luncheons for Incorporated Accountants are held on the second Tuesday in each month at the Liberal Club, Bank Street, Bradford, at 12.45 p.m. All Fellows and Associates in the district will be welcomed to the lunches.

Addresses will be delivered after the lunches on:—

November 11th, by Mr. J. G. Dodgson, of the Friends' Provident and Century Life Office.

December 9th, by a representative of the Export Credits Department.

January 13th, 1931, by Mr. Frank Betts, H.M. Inspector of Taxes.

February 10th, by Mr. Lascelles, of the Burrough's Adding Machine Company.

March 10th, by Mr. Geo. R. Lawson, B.Com., F.S.A.A.

NEWCASTLE-ON-TYNE.

Lecturing to this Society on December 10th, Mr. Wilfred H. Grainger, F.S.A.A., Chief Accountant, the Prudential Assurance Company, Limited, laid stress upon the importance of the Apportionment Act in dealing with executorship accounts, and pointed out the fact that the application of the principles involved therein, which were of the highest importance in connection with transactions on the Stock Exchange, were often overlooked in actual practice.

Syllabus of Lectures, 1930-31.

1930.

- Oct. 15th. Annual General Meeting at the County Hotel, Newcastle-on-Tyne. Address on "Points arising under the New Companies Act," by Mr. E. Westby Nunn, B.A., LL.B.

- Nov. 14th. Annual Dinner at the Station Hotel, Newcastle-on-Tyne.

- Dec. 10th. "Apportionment in Trust and Executorship Accounts," by Mr. Wilfred H. Grainger, F.S.A.A., London. At Newcastle-on-Tyne.

1931.

- Jan. 19th. "Rationalisation," by Mr. E. Allen, M.A., Lecturer in Economics, Armstrong College. At Sunderland.

- Feb. 13th. "The Present Economic Outlook," by Mr. H. M. Hallsworth, O.B.E., M.A., M.Com., Professor of Economics, Armstrong College. At West Hartlepool.
- Feb. 26th. Lecture by Mr. Albert Bell, F.C.A. At Newcastle-on-Tyne.
- Mar. 12th. "Company Promotion and Formation (with special reference to the Companies Act, 1929)," by Mr. O. K. Metcalfe, M.A. (Hons.), LL.M. (Hons.), Barrister-at-Law. At Middlesbrough.

All lectures will commence at 7 p.m.

SOUTH OF ENGLAND.

Syllabus of Lectures, 1930-31.

1930.

- Oct. 31st. "The Duties and Liabilities of Auditors under the Companies Act, 1929," by Mr. W. H. Grainger, F.S.A.A.
- Nov. 28th. "Holding Companies and their Accounts," by Mr. R. Glynne Williams, A.C.A., Metropolitan College, St. Albans.

- Dec. 5th. "The Principles of Business Finance," by Mr. A. Lester Boddington, F.S.S.

1931.

- Jan. 5th. "The Stock Exchange," by Sir Stephen Killik, J.P., F.S.A.A., President of the Incorporated Accountants' Students' Society of London.
- Feb. 6th. "Liquidations under the Companies Act, 1929." A Mock Meeting.
- Mar. 6th. "Practical Points arising in Bankruptcy," by Mr. J. L. Wilkinson, Official Receiver in Bankruptcy, Southampton.

SOUTH WALES AND MONMOUTHSHIRE.

(CARDIFF AND NEWPORT STUDENTS' SECTIONS.)

A debate between the Cardiff and Newport Students' Sections of the Society of Incorporated Accountants and Auditors took place at Newport, on November 27th.

The motion submitted by the Cardiff leader (Mr. E. V. C. Nicholls) was "That the present system of taxation is equitable." The Newport Section took the negative, and were led by their Hon. Secretary (Mr. A. Blackburn).

The chair was occupied by Mr. F. J. Notley, A.S.A.A., who was supported by Mr. E. Ewart Pearce, A.S.A.A. (Chairman of the Cardiff Students' Section), Mr. J. Pearson Griffiths, F.S.A.A. (Cardiff), Mr. G. E. S. Heybyrne, F.S.A.A. (Newport), Mr. J. Alun Evans (Hon. Secretary of the Cardiff Students' Section), and a good attendance of student members.

Amongst the many points submitted in favour of the equity of the present system of taxation were references to the taxing of individual incomes and the allowances therefrom, estate and death duties, and the services rendered to ratepayers. Mr. Nicholls concluded by saying that the present system of taxation was a high and scientific one. Mr. Blackburn argued in favour of the negative that each Chancellor of the Exchequer had to consider, in framing the annual Budget, such factors as the taxing of necessities, the evasion of tax, &c., also that the circumstances of individuals differed considerably, and the various allowances were therefore not equitable; that the present system discouraged saving, and that business concerns were not taxed on an equitable basis.

An animated discussion followed, in which motor cars and motor vehicles played a big part, reference being made

particularly to the basis of taxation and to the appropriation of moneys from the Road Fund ; it was pointed out, however, that the subject of the debate ought to be treated broadly and as a whole instead of dealing with individual aspects.

After the replies of the speakers, the motion was put to the meeting, nine supporting it and fifteen voting against. A most successful evening was concluded by a vote of thanks to the speakers.

WEST OF ENGLAND.

Syllabus of Lectures, 1930-31.

To be held at the Royal Hotel, Bristol, at 6 p.m. :—

1930.

Nov. 10th. "Executorship Law and Accounts," by Mr. W. H. Grainger, F.S.A.A. *Chairman* : Mr. H. M. B. Ker, F.S.A.A.

Nov. 24th. "Duties and Liabilities of Auditors," by Mr. W. H. Grainger, F.S.A.A. *Chairman* : Mr. F. P. Leach, F.S.A.A.

Dec. 8th. "The Law of Contract," by Mr. W. S. Scammell, LL.B., M.C. *Chairman* : Mr. S. Foster, F.S.A.A.

1931.

Jan. 5th. "Rights and Duties of Liquidators, Trustees and Receivers," by Mr. C. A. Sales, LL.B., F.S.A.A. *Chairman* : Mr. H. O. Johnson, F.S.A.A.

Jan. 19th. "Income Tax—Repayment and Obsolescence Claims," by Mr. A. W. Rawlinson, A.C.A., F.S.A.A. *Chairman* : Mr. C. B. Steed, F.S.A.A.

Feb. 3rd. "Investigations," by Mr. E. Miles Taylor, A.C.A., F.S.A.A. *Chairman* : Mr. G. J. Barron-Curtis, F.S.A.A.

To be held at the Chamber of Commerce, 17, Bedford Circus, Exeter, at 6 p.m. :—

1930.

Nov. 11th. "Executorship Law and Accounts," by Mr. W. H. Grainger, F.S.A.A. *Chairman* : Mr. W. H. Aplin, F.S.A.A.

1931.

Jan. 6th. "Rights and Duties of Liquidators, Trustees and Receivers," by Mr. C. A. Sales, LL.B., F.S.A.A. *Chairman* : Mr. W. W. Beer, F.S.A.A.

Feb. 4th. "Sale of Goods," by Mr. E. W. W. Veale, LL.M. *Chairman* : Mr. M. J. Dunsford, F.S.A.A.

To be held at the Guildhall, Gloucester, at 5.45 p.m. :—

1930.

Nov. 17th. "Duties and Liabilities of Auditors," by Mr. W. H. Grainger, F.S.A.A. *Chairman* : Mr. D. G. Price, F.S.A.A.

1931.

Jan. 20th. "Sale of Goods," by Mr. E. W. W. Veale, LL.M. *Chairman* : Mr. J. S. Duddridge, J.P., F.S.A.A.

To be held at the Old Guildhall, Plymouth, at 6 p.m. :—

1930.

Nov. 25th. "Executorship Law and Accounts," by Mr. W. H. Grainger, F.S.A.A.

1931.
Jan. 12th. "Duties and Liabilities of Auditors," by Mr. W. H. Grainger, F.S.A.A.

Feb. 10th. "Cost Accounts," by Mr. H. E. Davis, F.S.A.A., M.C. *Chairman* : Mr. Percival White, F.S.A.A.

To be held at Stafford House, Billetfield, Taunton, at 6 p.m. :—

1930.

Nov. 18th. "The Law of Contract," by Mr. W. S. Scammell, LL.B., M.C.

Dec. 12th. "Cost Accounts," by Mr. H. E. Davis, F.S.A.A., M.C.

1931.

Jan. 14th. "The Accounting Provisions of the Companies Act, 1929," by Mr. E. Westby Nunn, B.A., LL.B. *Chairman* : Mr. A. C. Mole, J.P., F.S.A.A.

Correspondence.

PLURALITY OF CAUSES IN ECONOMICS.

To the Editors *Incorporated Accountants' Journal*.

SIRS.—In the course of preparation for the Final examination of the Society I have recently had occasion to refer to a text-book on Economics, written by qualified accountants.

While not wishing to detract from the obvious qualities of the book, I feel that attention should be drawn to the following statement appearing in a passage on Economic Laws :—

" . . . the difficulty in scientific procedure is that there are nearly always several causes which may account for a given result ; and it is not possible in most cases to single out one of these as the only cause."

Such a statement seems to me to raise the presumption of a "Plurality of Causes." I have always understood, however, that the essential task of scientific method in both the natural and social sciences is to attempt a searching analysis of observed phenomena with the object of finding an immediate cause for a particular effect. In this connection may I conclude with the following quotation from Welton and Monahan on the "Principle of Causation" :—

" If each effect of a certain kind were considered in all its particularity we should see that one particular effect is not produced by a plurality of causes, but by one only."

I am, Sirs,
Yours faithfully,

December, 1930.

STUDENT.

INTERPRETATION OF COMPANY'S ARTICLES.

To the Editors *Incorporated Accountants' Journal*.

SIRS.—We shall be obliged if you will kindly publish the accompanying queries in the next issue of your *Journal*.

Re-election of a Disqualified Director.—A clause in the Articles of a public company provides that every

director shall vacate his office on the happening of any of the events following, and one of the events provided is on his becoming bankrupt or insolvent or suspending payment or compounding with his creditors.

A director of this company makes a composition with his creditors. Under the Articles, therefore, he vacates office. It is desired to know whether, after being so disqualified and vacating office, the remaining directors can yet re-elect him, in spite of the fact that the cause of his disqualification still continues, i.e., he has not still obtained a full discharge from his creditors?

Extraordinary General Meeting on Requisition.—A clause in the Articles of a public company provides that a certain officer of the company shall be appointed for twenty years certain, and thereafter until he shall resign therefrom or be removed by an extraordinary resolution passed at an extraordinary general meeting of the company convened for the express purpose, and of which not less than three calendar months' notice is given to each shareholder. The agreement with the company provides that it shall not be revoked or cancelled on any ground except his being found guilty of misconduct or fraud in the management or discharge of his duties to the company.

A section of the shareholders have deposited a requisition for the removal of the officer. If the directors proceed to call a meeting, before twenty-one days, to be held after the lapse of three months, as required by the above Article, will that be an infringement under sect. 114 (3) of the Companies Act, 1929? Does the time limit within which a meeting is to be held on requisition, namely, three months from the date the requisition is deposited with the company, apply to the meeting called by the requisitionists or to the meeting called by the directors also?

Views of your readers, supported by any decided cases, will be greatly appreciated.

ARCADIA.

OUR PROFESSION—FROM THE STUDENT'S STANDPOINT.

To the Editors *Incorporated Accountants' Journal*.

Sirs.—While attending the first meeting of the Autumn session of the Incorporated Accountants' Students' Society of London I had the pleasure of listening to a speech by Mr. Henry Morgan. During part of his speech he touched upon the subject of national extravagance as being one of the major reasons for the present trade dilemma. I was impressed by his earnestness and felt somewhat unsettled. The result was a bad attack of introspection. That attack left me in a critical state of mind, and I chose our profession as a victim. Quite probably, plenty of fellow students have discovered the same faults in it as myself. But I consider that it is of real importance and worth bringing before the members and students of the Society for earnest consideration.

To commence practice to-day is impossible without plenty of cash and influence. It is the same for other professions. But young accountants have two extra burdens to bear which no other profession forces upon its adherents. I refer to the far-reaching effect of lack of organisation. The Institute and Society rightly profess to be leaders of the profession. At a generous estimate they control half of it. The other half is a particularly piercing thorn in their flesh. The other half is composed of "outside" organisations, who remain blind to the blatant advertising of their members—to the touting—to the fact that their members often are anything but professional accountants.

To the public an accountant is the man who satisfies the Inspector of Taxes, it does not matter to them "what sort." Point out to them the difference between I. and C.A.'s on the one hand and other accountants on the other, and the public calls you a victim of professional jealousy!

Registration has been dropped—very unwisely—and only one cure comes to the student's mind. Rationalisation has been condemned more often than not, but our profession needs it. To make the best of things combination or heartfelt co-operation is indicated. Confronted with genuine collaboration on the part of Society and Institute, these other accountants would have to do one of two things: either prove to the satisfaction of a select committee that they are genuine accountants or retire from the profession. It would be a fair clean up, and at the same time it would really educate the public as to the precise meaning of "Qualified Accountant."

The other "grumble" is that our Society does not cater for the specialist need. The award of honours in the Final in such subjects as Taxation, Bankruptcy, Costing, would qualify an accountant as a specialist. The young accountant would have the chance to prove to potential employers that he is a genuine specialist and not have to wait years in order to become a specialist by service alone. This is a very definite need, and I believe that students are pretty unanimous about the point. I may say at this juncture that students have shown their agreement by outlining their schemes in the correspondence columns of a contemporary.

These are the two main points which I felt could not stand fair criticism. I wonder what our principals think about the matter? But to be fair, one must look on the other side. We as students realise that all cannot be altered in a moment. We walk softly—go far. The pioneers of accountancy, the men who made our Society possible, have had to face worse problems than those two given above. They surmounted their difficulties and we are proud of them. Our leaders to-day are maintaining the prestige of our Society. They are going further and increasing that prestige. They could increase it still more, perhaps, by regarding the profession from the students' standpoint.

I wish to say in closing that this letter has not been written in a captious spirit. I believe that our leaders are aware of the above weaknesses, but I wonder if they feel the need for meeting these difficulties so urgently as the student who has yet to make his career?

Yours, &c.,

"THETA."

[There are several points in our correspondent's letter, but he appears to have overlooked the Report of the Departmental Committee of the Board of Trade on Registration of Accountants: See *Incorporated Accountants' Journal*, September, 1930.—Eds. I.A.J.]

Scottish Notes.

(FROM OUR CORRESPONDENT.)

Glasgow Students' Society.

A lecture was delivered on the 16th ult. to the Glasgow Incorporated Accountants' Students' Society, on "Farmers' Income Tax," by Mr. Peter C. McAuslan, Incorporated Accountant, Ayr. Mr. Alfred Palmer, A.S.A.A., occupied the chair.

The subject of Schedule B Income Tax was treated in an interesting manner. Mr. McAuslan explained the method of assisting farmers with reference to Income Tax, and compared this method with the usual practice of assessing businesses. He then proceeded to show what adjustments and repayments could be claimed by the farmer, particularising cases where assessment could be reduced to the actual result of the farming operations; where notice could be given to be assessed under the provisions of Schedule D; where a claim could be lodged when a loss had been made; and where a reclaim could be made for bank interest paid, even although the assessment required to remain on the conventional basis of rental. Farm partnerships, assessments on grazing rents paid, and the method of assessing poultry farms were also dealt with.

In the discussion which followed, Mr. James Paterson, Secretary of the Scottish Branch, Mr. R. Fraser and others took part. Mr. McAuslan's lecture was highly appreciated, the working of Schedule B assessments not being generally familiar to students in city offices.

The late Mr. A. R. Weir, F.S.A.A.

It is with deep regret that we have to record the death of Mr. Andrew Robertson Weir, F.S.A.A., Glasgow, a partner of the firm of Messrs. Wm. Hart, Junr., and Wilson, Incorporated Accountants. Mr. Weir, who was only in his forty-seventh year, died on the 16th ult. in a nursing home after a very short illness. It is only a few weeks ago since he was promoted from being Vice-President of the Glasgow Students' Society to the post of President. Mr. Weir for many years took a keen interest in the Glasgow students and candidates. He frequently lectured to them, was always ready with his advice with regard to studies, and in many ways gave practical evidence of his interest in the members of the Students' Society and the younger members of the profession in Glasgow. Much sympathy is felt for his widow, his daughter, his partner, and others directly affected by this sudden bereavement. The Scottish Branch was represented at the funeral by Mr. James Wilson (his partner), Mr. John S. Gavin, and the Students' Society by Mr. C. M. Vance, Hon. Secretary, and Mr. Robert Fraser, Hon. Secretary.

Damages—A Trading Profit.

Last month the First Division of the Court of Session gave judgment in an appeal by the Burmah Steamship Company, Limited, against a decision of the Income Tax Commissioners confirming an assessment to Income Tax made upon the company. The appellants recovered from a firm of shipbuilders a sum of £3,000 as damages for their failure to complete within the stipulated time the repairs on a ship belonging jointly to the appellants and another firm of shipowners. The question in the case was whether one-half of this sum should be more appropriately regarded as a trading profit in the hands of the appellants or as a capital payment reducing the cost of the vessel to them. The Commissioners held that the £1,500 was a trading receipt, and was properly taken into account in the computation of the appellants' profits for the purpose of Income Tax. The contention of the appellants was that the sum in question was paid as damages, and was not a trading receipt. The Division refused the appeal, the respondents being awarded expenses.

Stamp Duty Test Case—Bank Guarantee.

A very interesting and important decision was given on the 3rd ult. by the First Division of the Court of Session in a stated case by the Commissioners of Inland Revenue, under sect. 13 of the Stamp Act, 1891, in an appeal by the North of Scotland Bank, Limited, against an assessment of stamp duty made by the Commissioners on a letter of guarantee or a bank guarantee.

The Commissioners were of opinion that the instrument was a bond and as such was liable to mortgage duty of £3 15s. The bank were dissatisfied with the Commissioners' judgment, contending that the instrument was not a bond but a mere agreement and as such liable to the duty of 6d. The question submitted to the Court had not hitherto been considered, and counsel stated that a decision in favour of the Commissioners would alter the practice which had existed since the passing of the Act.

The Division, answering the question, held that the Commissioners were wrong in imposing a stamp duty of £3 15s. The appellant was awarded expenses.

The Lord President said that the question resolved itself into an attempt to determine under what category in the schedule of the Act the deed to be stamped fell. That almost always raised a difficult and troublesome question. The instrument in the present case was a bank guarantee or letter of guarantee given to the bank for the payment of a bank customer's debt to the bank. It was a very familiar kind of document and had hitherto been treated as falling within the broad and general category of agreements, and had been regarded as sufficiently stamped with 6d. accordingly. The question which this appeal raised was whether that practice, long as it may have prevailed, was really in accordance with the Stamp Act or whether any particular letter of guarantee or bank guarantee such as they had before them did not fall within the category of the schedule headed mortgage, bond, debenture, covenant, &c. The suggestion here was that they were dealing with a bond. If a Scots lawyer were asked whether this bank guarantee was a bond his Lordship had no doubt that the lawyer would express his surprise that that term had been applied to it.

By a line of reasoning, however, they might arrive at the conclusion that the letter of guarantee might fall under the category of bond. But the question whether it would in ordinary Scots language or in ordinary Scots Law language fall within the category of bond seemed to his Lordship capable only of a negative answer. His Lordship was of opinion that the instrument in question fell under the description of agreement. The result at which he arrived was that the practice which had hitherto prevailed with regard to the stamping of such documents should not be disturbed, the essential reason being that the only other category suggested was so framed as not to fit properly the character of the document with which they were dealing.

The other Judges reached the same conclusion.

The Accountant of Court.

It appears that the three Scottish Societies of Chartered Accountants made representations in November last to the Secretary for Scotland that, having regard to the anxiety of the business community in Scotland to secure the appointment of a person duly qualified in accountancy, in law, and in business experience, to the office of Accountant of Court, he would state the special qualifications of the person recently appointed, particulars of his training in accountancy, and the reasons why an appointment hitherto held by a Chartered Accountant had been given to a civil servant not qualified in this manner.

In reply to a question by Sir Patrick Ford, the Lord Advocate stated that the present holder of the office of Accountant of Court was of long accounting experience. He was chosen from among a number of candidates, including Chartered Accountants both within and without the Civil Service, as being the best qualified to discharge the duties of the office.

* * Legal Notes are held over on account of pressure on space.